

INDIANA COMMERCIAL COURT

STATE OF INDIANA )  
 ) SS:  
COUNTY OF VIGO )

IN THE VIGO SUPERIOR COURT  
84D03-2301-PL-000063  
CAUSE NO. \_\_\_\_\_

Vigo Superior Court 3

THOMPSON THRIFT DEVELOPMENT, INC. )  
and WATERMARK AT PEORIA AZ, LLC, )  
 )  
Plaintiffs, )  
 )  
vs. )  
 )  
THE CINCINNATI INSURANCE COMPANY, )  
and STATE AUTO PROPERTY AND )  
CASUALTY INSURANCE COMPANY. )  
 )  
Defendants. )

COMPLAINT

Plaintiffs Thompson Thrift Development, Inc. (“TTD”) and Watermark at Peoria AZ, LLC (“Watermark” and together with TTD, “Thompson Thrift”), for their complaint against Defendants The Cincinnati Insurance Company (“Cincinnati”) and State Auto Property and Casualty Insurance Company (“State Auto” and together with Cincinnati, the “Insurers”), state as follows:

I. Introduction

1. This is an action for declaratory relief and breach of contract against the Insurers. Thompson Thrift respectfully seeks: (1) declaratory relief, pursuant to Indiana Rule of Trial Procedure 57 and the Indiana Declaratory Judgment Act, Indiana Code § 34-14-1 *et seq.*, to confirm the Insurers’ obligation to defend and indemnify Thompson Thrift under general and umbrella liability insurance policies against alleged environmental liabilities arising from Thompson Thrift’s ownership and operation of 24701 North Lake Pleasant Parkway, Peoria, AZ 85383 (the “Site”); (2) actual and consequential damages arising from the Insurers’ breach of the

policies; (3) prejudgment and post-judgment interest; and (4) any and all other relief to which it may be entitled.

## **II. The Parties**

2. TTD is an Indiana corporation with a principal place of business in Terre Haute, Indiana.

3. Watermark is a Delaware limited liability company with a principal place of business in Terre Haute, Indiana.

4. Cincinnati is an Ohio insurance company doing business in Indiana.

5. State Auto is an Iowa insurance company doing business in Indiana.

## **III. Jurisdiction**

6. This Court has jurisdiction over the Insurers under Trial Rules 4.4(A)(1) and (6) because they are insurance companies currently or previously authorized to sell insurance in Indiana and contracted to provide insurance coverage protection for persons in Indiana.

7. Venue is appropriate in the Vigo County Commercial Court pursuant to Rule 2 of the Commercial Court Rules because the gravamen of this lawsuit relates to disputes between or among business entities as to their business activities relating to commercial insurance contracts.

## **IV. Background**

### **A. The Insurance Policies**

8. On or about May 1, 2018, Cincinnati sold commercial general liability and umbrella policies, number CPP 107 57 01, to Thompson Thrift for the policy period May 1, 2018 to May 1, 2019, a copy of which is attached hereto as **Exhibit 1**.

9. On or about May 1, 2019, Cincinnati sold commercial general liability and umbrella policies, number CPP 107 57 01, to Thompson Thrift for the policy period May 1, 2019 to May 1, 2020, a copy of which is attached hereto as **Exhibit 2**.

10. On or about May 1, 2020, Cincinnati sold commercial general liability and umbrella policies, number EPP 053 36 25, to Thompson Thrift for the policy period May 1, 2020 to May 1, 2021, a copy of which is attached hereto as **Exhibit 3**.

11. The commercial general liability policies referenced in paragraphs 8-10 above are hereafter referred to as the “Cincinnati CGL Policies.”

12. Pursuant to the terms of the Cincinnati CGL Policies, Cincinnati has a duty to defend Thompson Thrift against any claims alleging facts that could potentially be covered by the Cincinnati CGL Policies and to indemnify Thompson Thrift for amounts it must pay because of coverage damage.

13. The umbrella liability policies referenced in paragraphs 8-10 above are hereafter referred to as the “Cincinnati Umbrella Policies.”

14. Pursuant to the terms of the Cincinnati Umbrella Policies, Cincinnati has a duty to indemnify Thompson Thrift for amounts it must pay because of covered damage in excess of the underlying insurance or which is either excluded or not insured by the underlying insurance. Cincinnati also has a duty to defend Thompson Thrift against any claims alleging facts that could potentially be covered by the Cincinnati Umbrella Policies.

15. On or about December 1, 2020, State Auto sold commercial general liability and umbrella policies, number SPP 2505525-00, to Thompson Thrift for the policy period December 1, 2020 to December 1, 2021, a copy of which is attached hereto as **Exhibit 4**.

16. On or about December 1, 2021, State Auto sold commercial general liability and umbrella policies, number SPP 2505525-01, to Thompson Thrift for the policy period December 1, 2021 to December 1, 2022, a copy of which is attached hereto as **Exhibit 5**.

17. The commercial general liability policies referenced in paragraphs 15-16 above are hereafter referred to as the “State Auto CGL Policies.”

18. Pursuant to the terms of the State Auto CGL Policies, State Auto has a duty to defend Thompson Thrift against any claims alleging facts that could potentially be covered by the State Auto CGL Policies and to indemnify Thompson Thrift for amounts it must pay because of coverage damage.

19. The umbrella liability policies referenced in paragraphs 15-16 above are hereafter referred to as the “State Auto Umbrella Policies.”

20. Pursuant to the terms of the State Auto Umbrella Policies, State Auto has a duty to indemnify Thompson Thrift for amounts it must pay because of covered damage in excess of the greater of (i) the available limits of underlying insurance or (ii) the self-insured retention. State Auto also has a duty to defend Thompson Thrift against any claims alleging facts that could potentially be covered by the State Auto Umbrella Policies, including claims which are not covered by underlying insurance.

B. The Site

21. The Site, located at 24701 North Lake Pleasant Parkway, Peoria, AZ 85383, is approximately 10 acres and improved with the Grandstone at Sunrise residential development (“Grandstone”). Grandstone is an apartment and townhome complex with 70 buildings and 140 units.

22. Watermark owns the Site. TTD is Watermark’s real estate manager.



23. The Site is located within an area of retail businesses and single-family residences. Adjacent to the western end of the northern boundary is a drycleaning business located at 9785 West Happy Valley Road, Peoria, AZ 85383. The drycleaning business is owned by Zoundsclean LLC d/b/a Lake Pleasant Cleaners (“Lake Pleasant Cleaners”).

24. On April 5, 2022, Thompson Thrift entered into a contract for the sale of the Site. The sale was set to close April 28, 2022.

25. A few weeks prior to closing, the purchaser conducted environmental sampling on the northwest portion of the Site immediately south of the Lake Pleasant Cleaners property. Thereafter, the purchaser cancelled the transaction due to unspecified environmental concerns.

26. Thompson Thrift thereafter conducted its own environmental sampling in the northwest portion of the Site. Testing of soil vapors (underground air in the void spaces between soil particles) revealed concentrations of the chemical tetrachloroethylene, also known as perchloroethylene (“PCE”), in excess of 9,700 micrograms per cubic meter, a value that the U.S. Environmental Protection Agency’s screening levels indicate would penetrate nearby buildings and pollute indoor air. Testing of indoor air inside one of the buildings at the Site, Unit 1061 located in the far northwest portion of the Site, revealed the presence of PCE at concentrations in excess of EPA’s Regional Screening Levels (“RSLs”) for indoor air. Testing of outdoor air sampled from the northwest portion of the Site also revealed PCE at concentrations in excess of the EPA’s RSLs.

27. Thompson Thrift has never generated, stored, handled, or used PCE at the Site.

28. On June 29, 2022, Thompson Thrift notified the Arizona Department of Environmental Quality (“ADEQ”) and the Maricopa County Air Quality Department of the test results. Both agencies have since investigated Lake Pleasant Cleaners’ handling of drycleaning

solvents and documented violations of Arizona laws including failure to contain and appropriately manage PCE and PCE-wastes; improper storage of PCE wastes in proximity to the facility floor drain; failure to inspect PCE-handling equipment to ensure there are no leaks; and failure to document and account for PCE purchased and used at the Lake Pleasant Cleaners property.

29. ADEQ has also initiated proceedings against Thompson Thrift relating to the PCE contamination from the Lake Pleasant Cleaners property. In September 2022, ADEQ's Section Manager for Solid/Hazardous Waste, Terry L. Baer, ordered Thompson Thrift to keep a portion of the Site, Unit 1061, unoccupied while ADEQ's investigation continues. Mr. Baer confirmed that directive in an email dated October 4, 2022: "[P]er our conversation ADEQ appreciates your clients organizations assistance in keeping the unit [1061] unoccupied in light of the detected vapors in the report while ADEQ pursue legal investigations." A copy of Mr. Baer's email is attached hereto as **Exhibit 6**.

30. Subsequent testing of the indoor air at Unit 1061 and other Grandstone buildings has indicated the ongoing presence of PCE in the indoor air, as well as in outdoor air sampled on the northwest portion of the Site.

31. As a result of Lake Pleasant Cleaners' contamination of the Site and ADEQ's order to restrict occupancy in light of the contamination, Thompson Thrift has incurred and will continue to incur environmental response costs to investigate and remediate the Site.

32. As a result of Lake Pleasant Cleaners' contamination of the Site and ADEQ's order to restrict operations in light of the contamination, Thompson Thrift has incurred and will continue to incur attorneys' fees defending itself against the alleged environmental liabilities at the Site.

C. Thompson Thrift's Notice of Claim to the Insurers, State Auto's Denial, and Cincinnati's Failure to Respond

33. Thompson Thrift promptly provided notice of its claim relating to the Site to the Insurers on or about June 17, 2022. Thompson Thrift requested that the Insurers provide defense and indemnity coverage for the alleged environmental liabilities at the Site.

34. By letter dated August 25, 2022, State Auto denied coverage for the claim under the State Auto CGL Policies and State Auto Umbrella Policies. A copy of State Auto's denial letter is attached hereto as Exhibit 7.

35. State Auto argued that because ADEQ has not "issued any directives or orders to [Thompson Thrift] to take any action with respect to the Claim[.]" there is no "suit" pending against Thompson Thrift and the State Auto CGL Policies have not been triggered. State Auto also argued that the State Auto CGL Policies' pollution exclusion, as modified by the Pollution Endorsement, precludes coverage. Regarding the State Auto Umbrella Policies, State Auto argued that the policies are not triggered because the underlying insurance has not been exhausted. Even if the Umbrella Policies were triggered, State Auto continued, the pollution exclusion (which is not modified by the Pollution Endorsement) precludes coverage.

36. State Auto wrongly denied Thompson Thrift's claim under the State Auto CGL Policies. ADEQ's September 2022 demand and follow-up October 6, 2022 correspondence is a "directive[] or order[ ] . . . to take any action with respect to the Claim[.]" Thompson Thrift has been ordered not to lease a portion of the Site because of the PCE contamination from the Lake Pleasant Cleaners property. There is therefore a "suit" pending against Thompson Thrift. The pollution exclusion, as modified by the Pollution Endorsement, does not apply because there has been no "'property damage' arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of 'pollutants' . . . [a]t or from any premises, site or location"

owned or occupied by Thompson Thrift. Rather, the contamination at issue has been discharged, dispersed, seeped, migrated, released, or escaped at or from the Lake Pleasant Cleaners property, not property Thomson Thrift owns or occupies. The pollution exclusion does not apply.

37. If the Court were to ultimately hold that the State Auto CGL Policies do not cover Thompson Thrift's claim, then State Auto wrongly denied Thompson Thrift's claim under the State Auto Umbrella Policies. State Auto must indemnify Thompson for amounts it must pay because of covered damage in excess of the greater of (i) the available limits of underlying insurance—which, in the event the claim is not covered under the State Auto CGL Policies, is \$0—or (ii) the self-insured retention—which the declarations page shows is \$0 for incidents not covered by underlying insurance. State Auto has a duty to defend Thompson Thrift against any claims alleging facts that could potentially be covered by the State Auto Umbrella Policies, including claims that are not covered by underlying insurance. Thus, if the State Auto GCL Policies do not cover the claim, as State Auto contends, then the State Auto Umbrella Policies are triggered immediately. The pollution exclusion does not bar coverage as it is the same pollution exclusion that the Indiana Supreme Court has held, four times, to be ambiguous and unenforceable.

38. As of the filing of this Complaint, and despite the passage of months since Thompson Thrift provided notification of its claim, Cincinnati has failed to confirm whether it agrees to accept its duties to defend and indemnify, or is denying coverage, or agrees to accept its coverage obligations under a reservation of rights.

#### **IV. Causes of Action**

##### **Count I: Declaratory Judgment**

39. Thompson Thrift incorporates the above paragraphs as if fully set forth herein.

40. An actual controversy exists as to the scope of Thompson Thrift's rights and the Insurers' obligations under the insurance policies with respect to the Insurers' obligations to Thompson Thrift in connection with the Site.

41. The Cincinnati CGL Policies require Cincinnati to defend Thompson Thrift against claims relating to the alleged environmental liabilities at the Site.

42. The Cincinnati CGL Policies require Cincinnati to indemnify Thompson Thrift for damages relating to the alleged environmental liabilities at the Site.

43. The Cincinnati Umbrella Policies require Cincinnati to defend Thompson Thrift against any claims alleging facts relating to the alleged environmental liabilities at the Site that could potentially be covered by the Cincinnati Umbrella Policies.

44. The Cincinnati Umbrella Policies require Cincinnati to indemnify Thompson Thrift for amounts it must pay because of covered damage relating to the environmental liabilities at the Site in excess of the underlying insurance or which is either excluded or not insured by the underlying insurance.

45. The State Auto CGL Policies require State Auto to defend Thompson Thrift against claims relating to the alleged environmental liabilities at the Site.

46. The State Auto CGL Policies require State Auto to indemnify Thompson Thrift for damages relating to the alleged environmental liabilities at the Site.

47. The State Auto Umbrella Policies require State Auto to defend Thompson Thrift against any claims alleging facts relating to the alleged environmental liabilities at the Site that could potentially be covered by the State Auto Umbrella Policies, including claims which are not covered by underlying insurance.

48. The State Auto Umbrella Policies require State Auto to indemnify Thompson Thrift for amounts it must pay because of covered damage relating to the environmental liabilities at the Site in excess of the greater of (i) the available limits of underlying insurance or (ii) the self-insured retention.

49. The required premiums for the policies were paid in full by Thompson Thrift. All other pertinent conditions to coverage have been satisfied to the extent required by law.

50. Thompson Thrift has been damaged by the Insurers' failure and refusal to defend Thompson Thrift against claims and indemnify Thompson Thrift for damages relating to alleged environmental liabilities at the Site.

51. This declaratory judgment action is necessary and useful in determining all of the rights and responsibilities of the parties.

52. Pursuant to Indiana Code § 34-14-1-1 and Rule 57 of the Indiana Rules of Trial Procedure, Thompson Thrift is entitled to declaratory relief establishing that the Insurers are obligated to provide defense and indemnity insurance coverage, subject to policy limits, for the alleged environmental liabilities at the Site.

### **Count II: Breach of Contract**

53. Thompson Thrift incorporates the above paragraphs as if fully set forth herein.

54. The Insurers' refusal to defend or pay costs to Thompson Thrift associated with claims relating to the alleged environmental liabilities at the Site is a breach of their obligations to Thompson Thrift under the policies.

55. As a result of the Insurers' breach, Thompson Thrift has incurred, and will continue to incur, substantial costs, expenses, losses, and damages related to claims for the alleged environmental liabilities at the Site.

56. Thompson Thrift is entitled to damages equal to the costs that have been, and will be, incurred as a result of the loss, consequential damages arising from the Insurers' breach, and pre- and post-judgment interest on all such costs or expenses.

WHEREFORE, Thompson Thrift requests that the Court enter judgment against the Insurers and in favor of Thompson Thrift:

- A. Declaring the parties' rights and obligations under the insurance policies with respect to the Insurers' obligations to defend and indemnify Thompson Thrift against claims and damages relating to alleged environmental liabilities at the Site;
- B. Ordering the Insurers to reimburse Thompson Thrift, up to policy limits, for defense and indemnity costs that Thompson Thrift has paid and will in the future pay in response to claims related to the alleged environmental liabilities at the Site;
- C. Finding the Insurers in breach of their obligations under the Policies and requiring the Insurers to pay Thompson Thrift the full amount of its loss, plus pre- and post-judgment interest; and
- D. Awarding Thompson Thrift all other compensatory, consequential, and other damages to which it may be entitled, including but not limited to the attorneys' fees and expenses incurred in bringing this action, and all other and further relief as this Court may deem proper.

Respectfully submitted:

/s/ Joanne R. Sommers  
Attorneys for Plaintiffs Thompson Thrift  
Development, Inc. and Watermark at Peoria AZ,  
LLC

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**REQUEST FOR JURY TRIAL**

Pursuant to Trial Rule 38 of the Indiana Rules of Procedure, Plaintiffs Thompson Thrift Development, Inc. and Watermark at Peoria AZ, LLC request a trial by jury.

Respectfully submitted:

/s/ Joanne R. Sommers  
Attorneys for Plaintiffs Thompson Thrift  
Development, Inc. and Watermark at Peoria AZ,  
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**EXHIBIT 1**

Vigo Superior Court 3



The Cincinnati Insurance Company  
The Cincinnati Casualty Company  
The Cincinnati Indemnity Company

**Policy Number:** CPP 107 57 01

**Effective Date:** 05-01-2018

**Named Insured:** THOMPSON THRIFT DEVELOPMENT INC

For professional advice and policy questions or changes, please contact your local independent agency:

ONI RISK PARTNERS INC  
P O BOX 80159  
INDIANAPOLIS IN 46280-0159

(812) 478-6000

Dear Policyholder:

**Thank you**

Thank you for trusting The Cincinnati Insurance Companies with your commercial insurance coverage. We recognize that locally based independent agents have the working knowledge to help you choose the right insurance company for your needs. Together with your local independent insurance agency, we are committed to providing you with the highest level of service.

Please review your enclosed policy information to verify your coverage details, as well as deductibles and coverage amounts. Should your needs change, your agent is available to review and update your policy.

**Please promptly report claims**

If you experience a policy-related loss, you may report it by contacting your local professional independent agency representing The Cincinnati Insurance Companies or by directly calling us toll-free at **877-242-2544** and providing your policy number and claim-related information.

Sincerely,

Steve Spray  
Senior Vice President - Commercial Lines

**This policy consists of:**

- . Common Policy Declarations**
- . Common Policy Conditions**
- . Summary of Premiums**
- . One or More Coverage Parts**

**Each coverage part consists of:**

- . One or More Coverage Forms**
- . Conditions Applicable to Each Coverage Part**
- . Applicable Endorsements**

## FORMS AND ENDORSEMENTS SCHEDULE AT INCEPTION OF POLICY

POLICY NUMBER CPP 107 57 01 EFFECTIVE DATE 05-01-2018

NAMED INSURED THOMPSON THRIFT DEVELOPMENT INC

### FORMS AND ENDORSEMENTS APPLICABLE AT INCEPTION OF POLICY

IA501	01/12	COMMON POLICY DECLARATIONS
IA4330	03/08	FORMS AND ENDORSEMENTS SCHEDULE AT INCEPTION OF POLICY
IA102	09/08	SUMMARY OF PREMIUMS CHARGED
MI1393	06/91	ENDORSEMENT KENTUCKY TAXES
IA904	04/04	SCHEDULE OF LOCATIONS
IA905	02/98	NAMED INSURED SCHEDULE
IA4135	08/16	POLICY DELIVERY
IL0017	11/98	COMMON POLICY CONDITIONS
IL0022	05/87	EFFECTIVE TIME CHANGES--REPLACEMENT OF 12 NOON
IA4433IL	03/17	IMPORTANT POLICYHOLDERS NOTICE - ILLINOIS
GA4101UT	02/06	UTAH CHANGES
IA4105IN	08/16	INDIANA CHANGES - CANCELLATION AND NONRENEWAL
IA4201KS	01/16	KANSAS CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD
IA4215MO	02/14	MISSOURI CHANGES
IA4298NC	01/07	NORTH CAROLINA NOTICE TO POLICYHOLDERS OF PROPERTY EXCLUSIONS
IA4337CO	10/08	COLORADO CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD
IA4347IN	09/08	INDIANA CHANGES - RIGHTS OF RECOVERY
IA4382IL	07/17	ILLINOIS CHANGES
IA4395IL	04/17	ILLINOIS CHANGES - CIVIL UNION
IA4428CO	09/14	COLORADO CHANGES - CIVIL UNION
IL0156	07/89	INDIANA CHANGES-CONCEALMENT, MISREPRESENTATION OR FRAUD
IL0158	09/08	INDIANA CHANGES
IL0192	02/08	INDIANA CHANGES - POLLUTION
IP409IL	01/91	IMPORTANT INFORMATION TO POLICYHOLDERS
IP412	12/92	IMPORTANT INFORMATION TO POLICYHOLDERS
MI1371IN	09/05	NOTICE TO POLICYHOLDERS
IA4087	08/11	CANCELLATION OR NONRENEWAL BY US NOTIFICATION TO A DESIGNATED
IA4236	01/15	POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE
IA4299NC	10/07	NORTH CAROLINA NOTIFICATION
IA4238	01/15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IA4338	05/11	SIGNATURE ENDORSEMENT
IP446	08/01	NOTICE TO POLICYHOLDERS
SKY1	11/15	
IA461	06/10	

FM501 08/06 COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

This is a schedule of the forms and endorsements found in this policy on its inception date. The schedule is not updated during the policy term to reflect additions to or deletions from this schedule. No coverage is provided by this schedule. It does not replace any provision of your policy. You should read your policy and review your declarations page(s) and any subsequent endorsements carefully for complete information on the coverage that you are provided. If there is any conflict between the policy and this schedule, the provisions of the policy shall prevail.

IA 4330 03 08

## FORMS AND ENDORSEMENTS SCHEDULE AT INCEPTION OF POLICY

POLICY NUMBER CPP 107 57 01 EFFECTIVE DATE 05-01-2018

NAMED INSURED THOMPSON THRIFT DEVELOPMENT INC

### FORMS AND ENDORSEMENTS APPLICABLE AT INCEPTION OF POLICY

FM901	01/99	COMMERCIAL PROPERTY COVERAGE SUPPLEMENTAL ENDORSEMENT
FA475	04/04	MULTIPLE DEDUCTIBLE FORM
FM903	01/99	COMMERCIAL PROPERTY MORTGAGE HOLDER SCHEDULE
FA450	05/16	COMMERCIAL PROPERTY CONDITIONS
FM101	05/16	BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL
SA203KY	07/10	MINE SUBSIDENCE COVERAGE (KENTUCKY)
CP0128	07/00	MISSOURI - CALCULATION OF ADDITIONAL PREMIUM
CP0145	05/08	ALABAMA CHANGES
FA4001UT	04/04	UTAH CHANGES - COMMERCIAL PROPERTY COVERAGE
FA4028IL	07/17	ILLINOIS CHANGES
FA4028MO	10/05	MISSOURI CHANGES - NUCLEAR HAZARD EXCLUSION
FA4078OH	05/17	OHIO CHANGES - COMMERCIAL PROPERTY
FA445AZ	05/16	ARIZONA CHANGES
FA490NC	05/16	NORTH CAROLINA CHANGES
FA498KS	10/12	KANSAS CHANGES
FA499IN	04/04	INDIANA CHANGES - RIGHTS OF RECOVERY
FA4168	05/16	NOTICE TO POLICYHOLDERS
FA480	02/16	LOSS PAYABLE PROVISIONS
FA244	05/11	EQUIPMENT BREAKDOWN COVERAGE (EXCLUDING PRODUCTION MACHINERY)
FA213	05/16	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
CP1410	06/95	ADDITIONAL COVERED PROPERTY
CP1515	06/95	BUSINESS INCOME REPORT/WORK SHEET
FA104	05/16	FLOOD COVERAGE ENDORSEMENT
FA241	05/16	EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUBLIMIT FORM)
FA250	05/16	CINCIPLUS COMMERCIAL PROPERTY XC+ (EXPANDED COVERAGE PLUS)
FA4053	04/06	CINCIPLUS COMMERCIAL PROPERTY EXPANDED COVERAGE PLUS ENDORSEMENT

GA501	10/01	COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS
GA901	01/92	COMMERCIAL GENERAL LIABILITY SUPPLEMENTAL SCHEDULE
GA406	01/92	COMMERCIAL GENERAL LIABILITY SCHEDULE (SUPPLEMENTAL)
GA101	12/04	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG2625	04/05	MISSOURI CHANGES - GUARANTY ASSOCIATION
CG2650	12/98	MISSOURI CHANGES - MEDICAL PAYMENTS
GA216OH	03/10	OHIO LIABILITY COVERAGE ENHANCEMENT
GA4150MO	02/02	MISSOURI CHANGES DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE CLAIM
GA4205IL	10/01	ILLINOIS CHANGES-KNOWN INJURY OR DAMAGE

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POLICY NUMBER CPP 107 57 01 EFFECTIVE DATE 05-01-2018

NAMED INSURED THOMPSON THRIFT DEVELOPMENT INC

### FORMS AND ENDORSEMENTS APPLICABLE AT INCEPTION OF POLICY

GA4287MO	08/08	MISSOURI CHANGES
GA4339KS	07/10	KANSAS CHANGES - TRANSFER OF RIGHTS
CG2004	11/85	ADDITIONAL INSURED--CONDOMINIUM UNIT-OWNERS
CG2270	11/85	REAL ESTATE PROPERTY MANAGED
GA4250	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS
GA210	02/07	COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT
CG0123	03/97	INDIANA CHANGES - POLLUTION EXCLUSION
CG2018	11/85	ADDITIONAL INSURED--MORTGAGEE, ASSIGNEE, OR RECEIVER
CG2301	12/04	EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS
GA3019IN	02/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR
GA3024	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL
GA323	10/01	EXCLUSION - LEAD LIABILITY
GA354	10/01	TOTAL POLLUTANT EXCLUSION ENDORSEMENT
GA382	03/02	FUNGI OR BACTERIA EXCLUSION
GA4115	10/01	ADDITIONAL INSURED - TENANTS
MA524	09/05	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM DECLARATIONS
MA123	08/07	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM
MA135	11/99	COMMERCIAL INLAND MARINE CONDITIONS
MA4050	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
MA507	06/07	SIGNS COVERAGE PART DECLARATIONS
CM0028	07/90	SIGNS COVERAGE FORM
MA135	11/99	COMMERCIAL INLAND MARINE CONDITIONS
PA535	08/07	REAL ESTATE ERRORS AND OMISSIONS INSURANCE DECLARATIONS
PA118	08/07	REAL ESTATE ERRORS AND OMISSIONS INSURANCE COVERAGE FORM
PA4015IN	12/03	INDIANA CHANGES - CANCELLATION AND NONRENEWAL
AA501	03/06	BUSINESS AUTO COVERAGE PART DECLARATIONS

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NAMED INSURED THOMPSON THRIFT DEVELOPMENT INC

### FORMS AND ENDORSEMENTS APPLICABLE AT INCEPTION OF POLICY

AA901	01/92	COMMERCIAL AUTOMOBILE COVERAGE SUPPLEMENTAL ENDORSEMENT
AA218	03/06	AUTOMOBILE SCHEDULE - BUSINESS AUTO
AA101	03/06	BUSINESS AUTO COVERAGE FORM
AA296	07/12	CHANGES - AUDIO VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE
CA0119	07/09	INDIANA CHANGES
AA4078IN	12/15	INDIANA UNDERINSURED MOTORIST COVERAGE
AA4170IN	12/15	INDIANA - UNINSURED AND UNDERINSURED MOTORIST PROTECTION
AA484IN	12/15	INDIANA UNINSURED MOTORIST COVERAGE
AA4263	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
CA2054	10/01	EMPLOYEE HIRED AUTOS
AA206	12/90	SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO
AA4171	11/05	ADDITIONAL INSURED BY CONTRACT
AA4172	09/09	BLANKET WAIVER OF SUBROGATION - AUTO
AA4174	11/05	PRIMARY AND NONCONTRIBUTORY INSURANCE
AA261	07/14	AUTO MEDICAL PAYMENTS COVERAGE
AA327IN	02/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR

USC504	12/04	COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS
IA450F	11/87	FORMS OVERFLOW ENDORSEMENT
US511	09/02	ADDITIONAL SCHEDULE OF UNDERLYING INSURANCE
IA450	11/87	MISCELLANEOUS ENDORSEMENT
US101UM	12/04	COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM
US3093	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL
US4062	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS -
US4098	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
US3048	12/04	FUNGI OR BACTERIA EXCLUSION
US306	12/04	AUTO LIABILITY LIMITATION
US3065	05/06	EXCLUSION - EMPLOYERS LIABILITY
US341	12/04	REAL ESTATE PROPERTY MANAGED EXCLUSION
US352	12/04	PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION
US390	12/04	TOTAL POLLUTANT EXCLUSION - OTHER THAN AUTO
US3090IN	05/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR
US395	12/04	LEAD LIABILITY EXCLUSION
US407	12/04	EMPLOYEE BENEFIT LIABILITY

This is a schedule of the forms and endorsements found in this policy on its inception date. The schedule is not updated during the policy term to reflect additions to or deletions from this schedule. No coverage is provided by this schedule. It does not replace any provision of your policy. You should read your policy and review your declarations page(s) and any subsequent endorsements carefully for complete information on the coverage that you are provided. If there is any conflict between the policy and this schedule, the provisions of the policy shall prevail.

Attached to POLICY

NUMBER CPP 107 57 01/CPA 107 57 01**SUMMARY OF PREMIUMS CHARGED**THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE  
PARTS FOR WHICH A PREMIUM CHARGE IS INDICATED

Commercial Property Coverage Part <u>W/EBC</u>	\$	<u>129,722</u>
Commercial General Liability Coverage Part	\$	<u>53,189</u>
Commercial Umbrella / Excess Liability Coverage Part	\$	<u>17,448</u>
<b>ELECTRONIC DATA PROCESSING EQUIPMENT</b>	\$	<u>1,650</u>
<b>SIGN</b>	\$	<u>1,652</u>
<b>REAL ESTATE ERRORS AND OMISSIONS</b>	\$	<u>4,245</u>
<b>MUNICIPAL TAX - REFER TO MI1393</b>	\$	<u>2,098</u>
<b>KY SURCHARGE - REFER TO MI1393</b>	\$	<u>387</u>
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Installment Charge	\$	
Sub-Total	\$	<u>210,391</u>
Commercial Auto Coverage Part	\$	<u>4,336</u>
Auto Installment Charge	\$	
Terrorism Coverage <u>INCL MUN TAX &amp; KY S/C</u>	\$	<u>1,575</u>
Annual Total	\$	<u>216,302</u>

**PAYMENTS**

All Other		+	Auto		=	Total Installment	
<b>First Installment</b>	<b>Remaining Installment</b>		<b>First Installment</b>	<b>Remaining Installment</b>		<b>First Installment</b>	<b>Remaining Installment</b>
\$	\$	+	\$	\$	=	\$	\$

Automobile Coverages, Employers Liability, Employment Practices Liability Coverage, Professional Liability Coverage, Terrorism Coverage and / or Wrongful Acts Coverage, if included in the policy, are subject to Annual Adjustment of rates and premium on each anniversary of the policy.

Commercial Umbrella and Excess Liability, if included in the policy, may be subject to Annual Adjustment of premium on each anniversary. Refer to the Commercial Umbrella or Excess Liability Coverage Part Declarations form to see if this is applicable.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED**



**ENDORSEMENT****KENTUCKY TAXES**

The following Kentucky taxes (which include a collection fee) have been applied to your policy:

KY				
ANNUAL PREMIUM	SURCHARGE TAX	MUNICIPAL TAX	COUNTY TAX	TOTAL
<b>PROPERTY-1,898</b>	<b>1.8%-33</b>	<b>HIGHLAND HEIGHTS (100171) 11.5%=218</b>	<b>NONE</b>	<b>2,149</b>
<b>CASUALTY-357</b>	<b>1.8%-7</b>	<b>HIGHLAND HEIGHTS (200171) 11.5%-41</b>	<b>NONE</b>	<b>405</b>
<b>PROPERTY-798</b>	<b>1.8%-15</b>	<b>SOMERSET(100028) 6.9%-55</b>	<b>NONE</b>	<b>868</b>
<b>CASUALTY-128</b>	<b>1.8%-2</b>	<b>SOMERSET(200028) 6.9%-9</b>	<b>NONE</b>	<b>139</b>
<b>PROPERTY-13,900</b>	<b>1.8%-250</b>	<b>HOPKINSVILLE(100020) 9.7%-1,348</b>	<b>NONE</b>	<b>15,498</b>
<b>CASUALTY-4,540</b>	<b>1.8%-82</b>	<b>HOPKINSVILLE(200020) 9.7%-442</b>	<b>NONE</b>	<b>5,064</b>
<b>CASUALTY-48</b>	<b>1.8%-1</b>	<b>LOUISVILLE(200085) 5.7%-3</b>	<b>NONE</b>	<b>52</b>

All other terms and conditions of this policy remain unchanged.

Agent **ONI RISK PARTNERS INC 13-317**  
**TERRE HAUTE IN**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **POLICY DELIVERY**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS PACKAGE POLICY  
CINCINNATI CYBER DEFENSE™ COVERAGE PART  
CINCINNATI DATA DEFENDER™ COVERAGE PART  
CINCINNATI NETWORK DEFENDER™ COVERAGE PART  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL OUTPUT PROGRAM - PROPERTY COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
CONTRACTOR'S ERRORS AND OMISSIONS COVERAGE PART CLAIMS-MADE  
CONTRACTOR'S LIMITED POLLUTION LIABILITY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
DENTIST'S PACKAGE POLICY  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EMPLOYEE BENEFIT LIABILITY COVERAGE PART  
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE PART  
FARM COVERAGE PART  
GOLF COURSE CHEMICAL APPLICATION LIMITED LIABILITY COVERAGE PART  
HOLE-IN-ONE COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART  
MANUFACTURER'S ERRORS AND OMISSIONS COVERAGE PART CLAIMS-MADE  
MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE  
UNDERGROUND STORAGE TANK POLICY**

**Common Policy Declarations** is amended to include the following:

The first Named Insured listed in the Declarations agrees to accept delivery of the policy on behalf of all Named Insureds. Delivery of this policy, any endorsements, or notices pertaining to this policy by us to the first Named Insured shall be deemed delivered to all Named Insureds and Additional Insureds.

# COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

## A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

## B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

## C. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

## D. Inspections and Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

## E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

## F. Transfer of Your Rights and Duties Under this Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**EFFECTIVE TIME CHANGES--REPLACEMENT OF 12 NOON**

This endorsement modifies the COMMON POLICY DECLARATIONS.

To the extent that coverage in this policy replaces coverage in other policies terminating noon standard time on the inception date of this policy, coverage under this policy shall not become effective until such other coverage has terminated.

## **IMPORTANT POLICYHOLDERS NOTICE - ILLINOIS**

Part 919 of the Rules of the Illinois Department of Insurance requires that our company advise you that if you wish to contact the Illinois Department of Insurance, it maintains a Consumer Division at:

122. S. Michigan Ave., 19th Floor, Chicago, Illinois 60603; and

320 West Washington Street, Springfield, Illinois 62767,

You may also reach the Illinois Department of Insurance at <http://insurance.illinois.gov>; or

312-814-2420 or 217-782-4515.

Should you have any complaints arise regarding this insurance you may contact the following:

Complaint Department of The Cincinnati Insurance Company at P.O. Box 145496, Cincinnati, Ohio, 45250-5496.

Public Service Section of the Department of Insurance at Illinois Department of Insurance, Consumer Division, Springfield, Illinois, 62767.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **UTAH CHANGES**

This endorsement modifies insurance provided under the following:

**CLAIMS - MADE CONTRACTORS ERRORS AND OMISSIONS COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS LIMITED POLLUTION LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EMPLOYEE BENEFIT LIABILITY COVERAGE PART  
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART  
HOLE-IN-ONE COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS / COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY**

**A. The Duties** Condition under **Section IV - Conditions** is amended to include:

Notice to our authorized representative is notice to us.

**B. The Legal Action Against Us** Condition under **Section IV - Conditions** does not apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CHEMICAL DRIFT LIMITED LIABILITY COVERAGE PART - CLAIMS-MADE  
CINCINNATI CYBER DEFENSE™ COVERAGE PART  
CINCINNATI DATA DEFENDER™ COVERAGE PART  
CINCINNATI NETWORK DEFENDER™ COVERAGE PART  
CLAIMS-MADE CONTRACTORS ERRORS AND OMISSIONS COVERAGE PART  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
CONTRACTORS' LIMITED POLLUTION LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE FORM  
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE FORM  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE

**A.** Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

**2. a. Cancellation of Policies in Effect for 90 days or Less**

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2)** 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us;
- (3)** 30 days before the effective date of cancellation if we cancel for any other reason.

**b. Cancellation of Policies in Effect for More Than 90 Days**

If this policy has been in effect for more than 90 days, or is a renewal of a policy we issued, we may cancel this policy, only for one or more of the reasons listed below, by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2)** 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us;
- (3)** 45 days before the effective date of cancellation if:
  - (a)** There has been a substantial change in the scale of risk covered by this policy; or

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- (b) Reinsurance of the risk associated with this policy has been cancelled.
- (c) You have failed to comply with reasonable safety recommendations.

**B.** The following is added to the Common Policy Conditions and supersedes any provision to the contrary.

**NONRENEWAL**

1. If we elect not to renew this policy, we will mail or deliver to the first Named Insured

written notice of nonrenewal at least 45 days before:

- a. The expiration date of this policy, if the policy is written for a term of one year or less; or
  - b. The anniversary date of this policy, if the policy is written for a term of more than one year.
2. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **KANSAS CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

**MACHINERY AND EQUIPMENT COVERAGE PART  
COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY**

- A.** When this endorsement is attached to the **Standard Property Policy CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.
- B.** The **CONCEALMENT, MISREPRESENTATION OR FRAUD Condition** is replaced by the following:

### **CONCEALMENT, MISREPRESENTATION OR FRAUD**

We will not pay for any loss or damage under this Coverage Part if you or any other insured in relation to an insurance application, rating,

claim or coverage under this policy knowingly and with intent to defraud:

- 1.** Presents, causes to be presented or prepares with the knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement which such person knows to contain materially false information concerning any material fact; or
- 2.** Conceals information concerning any material fact for the purpose of misleading.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES**

This endorsement modifies insurance provided under the following:

**CAUSES OF LOSS FORM - FARM PROPERTY  
COMMERCIAL PROPERTY COVERAGE PART  
FARM PROPERTY - OTHER FARM PROVISIONS FORM - ADDITIONAL COVERAGES, CONDITIONS,  
DEFINITIONS  
LIVESTOCK COVERAGE FORM  
MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM  
MORTGAGE HOLDER'S COVERAGE PART**

- A.** When this endorsement is attached to the Standard Property Policy **CP 00 99** the terms Coverage Form and Coverage Part in this endorsement are replaced by the term Policy.
- B.** If partial loss ("loss") or damage to Covered Property is caused by or results from fire, Paragraph **a.**, of the **Loss Payment** Loss Condition is replaced by the following:

### **LOSS PAYMENT**

In the event of partial loss ("loss") or damage caused by or resulting from fire, and covered by this Coverage Part, at your option, we will either:

1. Pay you an amount of money equal to the damage done; or
2. Repair the damage, so that the property is in as good a condition as before the fire.

But we will not pay more than the Limit of Insurance.

- C.** The following provision replaces:
1. Paragraph **c.** of the **Loss Payment** Loss Condition in the Commercial Property Coverage Part; and
  2. Paragraph **d.** of the **Loss Payment** Loss Condition in the Farm Property - Other Farm Provisions Form - Additional Coverages, Conditions, Definitions and Paragraph **c.** of the **Loss Payment** Loss Condition in the Mobile Agricultural Machinery and Equipment Coverage Form and Livestock Coverage Form:

In the event of loss ("loss") or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

1. Accept your claim;
2. Deny your claim; or

3. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent informing you that we need more time to determine whether your claim should be accepted or denied and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

- D.** Except as provided in **E.** below, the **Appraisal** Loss Condition is replaced by the following:

### **APPRAISAL**

If we and you disagree on the value of the property or the amount of loss ("loss"), either may make written demand for an appraisal of the loss ("loss"). In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers will state separately the value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding.

Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**E. The Appraisal Condition in:**

1. Business Income (and Extra Expense) Coverage Form **FA 213**; and
2. Business Income (Without Extra Expense) Coverage Form **FA 212**;

is replaced by the following:

**APPRAISAL**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then upon your or our request, an umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not with a county) in which the property covered is located. The appraisers will state separately the amount of Net Income and operating expense or the amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**F. The Legal Action Against Us Condition is replaced by the following:**

**LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 10 years after the date on which the direct physical loss ("loss") or damage occurred.

**G. Paragraph F. above does not apply to the:**

1. **Legal Action Against Us** Loss Condition in the Legal Liability Coverage Form; or
2. **Legal Action Against Us** Condition applicable to Coverages **C** and **D** in the Mortgageholders Errors and Omission Coverage Form.

**H. Missouri Property and Casualty Insurance Guaranty Association Coverage Limitations**

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:
  - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent; provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.
  - b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- I. For the Commercial Property Coverage Part, the following exclusion and related provisions are added to Paragraph **B.2. Exclusions** in the Causes of Loss Forms and to any cover-

age Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act committed:
    - a. By or at the direction of any insured; and
    - b. With the intent to cause a loss.
  2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:
    - a. The cause of the loss; and
    - b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.
  3. If we pay a claim pursuant to Paragraph I.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.
- J. The **Intentional Loss Exclusion** in the Causes of Loss Form - Farm Property, Mobile Agricultural Machinery and Equipment Coverage Form and Livestock Coverage Form is replaced by the following:
1. We will not pay for loss ("loss") or damage arising out of any act committed:
    - a. By or at the direction of any "insured"; and
    - b. With the intent to cause a loss ("loss").
  2. However, this exclusion will not apply to deny coverage to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss"), provided the loss ("loss") is otherwise covered under this Coverage Form and the loss ("loss") arose out of domestic violence. Such coverage will be provided only if the innocent co-"insured" files a police report and completes a sworn affidavit indicating both:
    - a. The cause of the loss ("loss"); and

b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss ("loss").

3. If we pay a claim pursuant to Paragraph J.2., our payment to the innocent co-"insured" will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss ("loss") for which the innocent co-"insured" has received payment. In no event will we pay more than the Limit of Insurance.

K. The following is added to the **Transfer of Rights of Recovery Against Others to Us** Condition:

If we pay an innocent co-"insured" for loss ("loss") arising out of an act of domestic violence by another "insured", the rights of the innocent co-"insured" to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss ("loss"), the innocent co-"insured" may not waive such right to recover against the abuser.

L. The following is added with respect to the Additional Coverages of Debris Removal and Pollutant Clean Up and Removal, and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180-day timeframe, such failure will not invalidate a claim under Debris Removal or Pollutant Clean Up and Removal unless such failure operates to prejudice our rights.

M. When the:

1. Replacement Cost Optional Coverage in the Commercial Property Coverage Part;
2. Coverage **A Valuation** Loss Condition in the Farm Property - Farm Dwellings, Appurtenant Structures and Household Personal Property Coverage Form; or
3. **Valuation - Property Other Than Improvements and Betterments** Loss Condition in the Farm Property - Barns, Outbuildings and Other Farm Structures Coverage Form;

applies, the following is added with respect to these provisions and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between the actual cash value and replacement cost) within 180 days after the loss or damage occurs:

If you fail to notify us of your intent within the 180-day timeframe, such failure will not invali-

date the claim unless such failure operates to prejudice our rights.

**N. The Transfer of Your Rights and Duties Under This Policy** Common Policy Condition is replaced by the following:

**1. Transfer By Beneficiary Deed**

If you convey real property insured under this policy to a person (known as a grantee beneficiary) designated under a beneficiary deed, which has been properly recorded prior to your death, that person will have your rights and duties with respect to the insured real property, but only for the period from the date of your death until the first of the following occurs:

- a. A period of 30 days from the date of your death;
- b. The date that alternative coverage is obtained on your property; or
- c. The end of the policy period as shown in the Declarations.

**2. Transfer By Other Means Following Death**

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until

your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties, but only with respect to that property. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

**O. Under Debris Removal and Mandated Decontamination**, if any, are amended to include the following:

However, your failure to report these expenses to us in writing within 180 days from the date the covered peril occurs, will not be reason to deny your claim unless your failure to meet the notice requirement operates to prejudice our rights under this policy.

**P. Under IDENTITY RECOVERY COVERAGE FOR BUSINESS OWNERS WITH CASE MANAGEMENT SERVICES AND EXPENSE REIMBURSEMENT**, if any, is amended to include the following:

However, your failure to report these expenses to us within 30 days from the date the covered peril occurs, will not be reason to deny your claim unless your failure to meet the notice requirements operates to prejudice our rights under this policy.

## **NORTH CAROLINA NOTICE TO POLICYHOLDERS OF PROPERTY EXCLUSIONS**

**WARNING: THIS PROPERTY INSURANCE POLICY DOES NOT  
PROTECT YOU AGAINST LOSSES FROM:**

**FLOOD**

**MUDFLOW OR MUDSLIDE**

**EARTHQUAKE OR LANDSLIDE**

**YOU SHOULD CONTACT YOUR INSURANCE COMPANY OR  
AGENT TO DISCUSS YOUR OPTIONS FOR OBTAINING COV-  
ERAGE FOR THESE LOSSES.**

**THIS IS NOT A COMPLETE LISTING OF ALL OF THE CAUSES  
OF LOSSES NOT COVERED UNDER YOUR POLICY. YOU  
SHOULD READ YOUR ENTIRE POLICY TO UNDERSTAND  
WHAT IS COVERED AND WHAT IS NOT COVERED.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COLORADO CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

**COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL OUTPUT PROGRAM COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART**

The **Concealment, Misrepresentation or Fraud** Condition is replaced by the following:

### **CONCEALMENT, MISREPRESENTATION OR FRAUD**

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact; or
2. Fraud;

committed by you or any other insured ("insured") at any time and relating to coverage under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - RIGHTS OF RECOVERY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART**

The **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US** Condition is replaced by the following:

### **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after loss to impair them.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to Standard Property Policy **CP 00 99**, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

**B.** The following is added to the **Legal Action Against Us** Condition:

The 2 year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

**C.** If this policy covers:

**1.** The following in **a.** and **b.**, then Paragraphs **2.** and **3.** apply:

- a.** Real property used principally for residential purposes up to and including a four family dwelling; or
- b.** Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

**2.** The second paragraph of the **Appraisal** Condition is deleted and replaced by the following:

- a.** Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b.** We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
  - (1)** You demanded the appraisal; and
  - (2)** The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

**3.** The **Concealment, Misrepresentation or Fraud** Condition is replaced by the following:

**CONCEALMENT, MISREPRESENTATION OR FRAUD**

**a.** This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1)** Was made with actual intent to deceive; or
- (2)** Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

**b.** We do not provide coverage under this Coverage Part or Coverage Form to you or any other insured ("insured") who, at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1)** This Coverage Part or Coverage Form;
- (2)** The Covered Property;
- (3)** Your interest in the Covered Property; or
- (4)** A claim under this Coverage Part or Coverage Form.

**c.** Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in

accordance with the terms of the Cancellation Condition.

D. For the Commercial Property Coverage Part and the Standard Property Policy, the following exclusion and related provisions are added to Paragraph **B.2**. Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
  - a. The loss arose out of a pattern of criminal domestic violence; and
  - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph **D.2.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no

event will we pay more than the Limit of Insurance.

E. The **Intentional Loss Exclusion** in the Causes of Loss Form - Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:

1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").

2. However, this exclusion will not apply to deny payment to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss") if:
  - a. The loss ("loss") arose out of a pattern of criminal domestic violence; and
  - b. The perpetrator of the loss ("loss") is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph **E.2.**, our payment to the "insured" is limited to that "insured's" insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS CHANGES - CIVIL UNION**

This endorsement modifies insurance provided under the following:

**CHEMICAL DRIFT LIMITED LIABILITY COVERAGE FORM  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
CONTRACTOR'S ERRORS AND OMISSIONS COVERAGE FORM CLAIMS-MADE  
EMPLOYEE BENEFIT LIABILITY COVERAGE FORM  
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE FORM  
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE FORM  
HOLE-IN-ONE COVERAGE FORM  
ILLINOIS CONTRACTORS' LIMITED WORKSITE POLLUTION LIABILITY COVERAGE FORM  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURER'S ERRORS AND OMISSIONS COVERAGE FORM - CLAIMS-MADE  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE  
SEPTIC SYSTEMS DESIGN INSPECTION ERRORS AND OMISSIONS COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY**

**A. The term "spouse" is replaced by the following:**

Spouse or party to a civil union recognized under Illinois law.

**B. Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:**

"Family member" means a person related to the:

- 1.** Individual Named Insured by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of such Named Insured's household, including a ward or foster child; or
- 2.** Individual named in the Schedule by blood, adoption, marriage or civil union recog-

nized under Illinois law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage - Broadened Coverage For Named Individual Endorsement is attached.

**C. With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:**

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of your household, including a ward or foster child.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COLORADO CHANGES - CIVIL UNION**

This endorsement modifies insurance provided under the following:

**CHEMICAL DRIFT LIMITED LIABILITY COVERAGE PART - CLAIMS-MADE  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
CONTRACTOR'S ERRORS AND OMISSIONS COVERAGE PART CLAIMS-MADE  
CONTRACTORS' LIMITED POLLUTION LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EMPLOYEE BENEFIT LIABILITY COVERAGE PART  
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE PART  
FARM COVERAGE PART  
GOLF COURSE CHEMICAL APPLICATION LIMITED LIABILITY COVERAGE PART  
HOLE-IN-ONE COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURER'S ERRORS AND OMISSIONS COVERAGE FORM CLAIMS-MADE  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE  
UNDERGROUND STORAGE TANK POLICY**

- A.** The term spouse is replaced by the following:
- Spouse or party to a civil union recognized under Colorado law.
- B.** Under the Commercial Automobile Coverage Part, the term "family member" is replaced by the following and supersedes any other provisions to the contrary:
- "Family member" means a person related to:
- 1.** The individual Named Insured by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of such Named Insured's household, including a ward or foster child;
  - 2.** The individual named in the Schedule by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage - Broadened Coverage For Named Individuals endorsement is attached.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA CHANGES --  
CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

**BOILER AND MACHINERY COVERAGE PART  
BUSINESSOWNERS POLICY  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

The CONCEALMENT, MISREPRESENTATION OR FRAUD Condition is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact or
2. Fraud

committed by an insured at any time and relating to a claim under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL PROPERTY - LEGAL LIABILITY COVERAGE FORM  
COMMERCIAL PROPERTY - MORTGAGEHOLDERS ERRORS AND OMISSIONS  
COVERAGE FORM\*  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM LIABILITY COVERAGE FORM  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

- \* Under the **Mortgageholders Errors And Omissions Coverage Form**, the following condition applies only to Coverage **C** and Coverage **D**.

The following condition is added:

Notice given by or on behalf of the insured to any of our authorized agents in Indiana, with particulars sufficient to identify the insured, shall be considered to be notice to us.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - POLLUTION**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY

In this Coverage Part or Policy, any exclusion, limitation or other provision relating to pollutants ("pollutants"), or any amendment to or replacement of such exclusions, limitations or other provisions, applies whether or not the irritant or contaminant has any function in your business, operations, premises, site or location.

**IMPORTANT INFORMATION TO POLICYHOLDERS**  
**ILLINOIS**

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address or telephone collect:

The Cincinnati Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Casualty Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Indemnity Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278



## **IMPORTANT INFORMATION TO POLICYHOLDERS**

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address or telephone collect:

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Cincinnati, Ohio 45250-5496  
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The Cincinnati Casualty Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Indemnity Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Life Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2000

# **THE CINCINNATI INSURANCE COMPANIES**

THE CINCINNATI INSURANCE COMPANY  
THE CINCINNATI CASUALTY COMPANY

THE CINCINNATI INDEMNITY COMPANY  
THE CINCINNATI LIFE INSURANCE COMPANY

**P.O. BOX 145496  
CINCINNATI, OHIO 45250-5496  
(513) 870-2000**

## **NOTICE TO POLICYHOLDERS**

**Questions regarding your policy or coverage should be directed to:**

**The Cincinnati Insurance Companies  
P.O. Box 145496  
Cincinnati, OH 45250-5496  
(800) 635-7521  
or  
(513) 870-2000**

If you:

- a) Need the assistance of the governmental agency that regulates insurance; or
- b) Have a complaint you have been unable to resolve with your insurer

You may contact the Department of Insurance by mail, telephone or email:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street, Suite 300  
Indianapolis, IN 46204

Consumer Hotline: (800) 622-4461 or (317) 232-2395

Complaints can be filed electronically at [www.in.gov/doi](http://www.in.gov/doi).

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CANCELLATION OR NONRENEWAL BY US NOTIFICATION TO A DESIGNATED ENTITY**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS PACKAGE POLICY  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
DENTIST'S PACKAGE POLICY  
EXCESS LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

### **SCHEDULE**

Name and mailing address of person(s) or organization(s):

**BLANKET WHEN REQUIRED BY WRITTEN AGREEMENT**

Number of days notice (other than nonpayment of premium): 30

- A.** If we cancel or nonrenew this policy for any statutorily permitted reason other than nonpayment of premium we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least the number of days shown in the Schedule before the effective date of cancellation or nonrenewal.
- B.** If we cancel this policy for nonpayment of premium, we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least 10 days before the effective date of cancellation.
- C.** If notice is mailed, proof of mailing to the mailing address shown in the Schedule will be sufficient proof of notice.
- D.** In no event will coverage extend beyond the actual expiration, termination or cancellation of the policy.

## POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

Your policy may contain coverage for certain losses caused by terrorism.

**Premium:**

In accordance with the federal Terrorism Risk Insurance Act, we are required to notify you of the portion of the premium, if any, attributable to the coverage for terrorist acts certified under the Terrorism Risk Insurance Act.

- Refer to the SUMMARY OF PREMIUMS CHARGED or DECLARATIONS PAGE for the portion of your premium that is attributable to coverage for terrorist acts certified under the Act.

**Federal Participation:**

The Act also requires us to provide disclosure of federal participation in payment of terrorism losses.

- Under your policy, any losses caused by certified acts of terrorism would be partially reimbursed by the United States Government, Department of Treasury, under a formula established by federal law. Under this formula, the federal share equals a percentage, as specified in the Schedule below, of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

- Schedule:**

Federal Share of Terrorism Losses	
Percentage	Calendar Year
85%	2015
84%	2016
83%	2017
82%	2018
81%	2019
80%	2020

**Cap on Insurer Participation:**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**NOTE: IF YOUR POLICY IS A RENEWAL POLICY, THIS NOTICE IS PROVIDED TO SATISFY THE REQUIREMENTS UNDER THE TERRORISM RISK INSURANCE ACT FOR POLICYHOLDER DISCLOSURE: (1) AT THE TIME OF OUR OFFER TO RENEW THE POLICY AND (2) AT THE TIME THE RENEWAL IS COMPLETED.**

# NORTH CAROLINA NOTIFICATION OF THE RIGHT TO MEDIATE RESIDENTIAL PROPERTY DISASTER INSURANCE CLAIM

Date: 07-11-2018

Policyholder Name THOMPSON THRIFT DEVELOPMENT INC

and Address: \_\_\_\_\_  
\_\_\_\_\_

Policy number and / or Claim number: CPP 107 57 01

The General Assembly of North Carolina has enacted a law to facilitate fair and timely handling of residential property insurance claims arising out of disasters. The law gives you the right to attend a mediation conference with your insurer in order to settle any dispute you have with your insurer about your claim. An independent mediator, who has no connection with your insurer, will be in charge of the mediation conference.

The mediator does not decide the dispute, but will facilitate discussion / negotiation between the parties. There is no cost to you for this service.

## **"Disputed Claim"**

For the purpose of this mediation program, a "disputed claim" does not mean a claim denied because of exclusion, terms or conditions in the policy, or because the policy was not in force at the time of loss. "Disputed claim" also does not mean a claim that the insurer has reported to the Department of Insurance's Investigations Division due to suspected insurance fraud.

## **Eligibility**

To be eligible for a mediation conference:

- . You must have a disputed claim arising from a declared state of disaster in which the insurer has denied payment in whole or in part,
- . The dispute must be over the insurer's findings on the cause of loss, or the amount of the loss, and
- . The disputed amount (difference in positions between you and your insurer), must be at least \$1,500 unless both parties agree to mediate a smaller dispute.

## **Requesting a Mediation Session**

- . You must request mediation within 60 days of your claim being denied, or your right to mediation is lost. Failure to request mediation does not prejudice any other legal right or remedy that you may have to pursue your claim. **To request mediation, you may contact the Mediation Administrator at:**

American Arbitration Association  
Central Case Management Center  
13455 Noel Road, Suite 1750  
Dallas, TX 75240-6620  
(800) 426-8792

- . Your request must include the following information, if known:
  - o Your claim number and policy number.
  - o Your name, mailing address, and (if different) property location.
  - o A daytime telephone number where you can be reached.
  - o A brief description of the nature of the dispute.
  - o The name of your insurance company and the name, address and phone number of a contact person (if other than you) for scheduling mediation.

- o Information on any other policies of insurance that may provide coverage of the insured property for named perils such as flood, earthquake or windstorm.

Once your request of mediation is received, the Administrator will contact you to schedule your mediation conference, and to provide further information such as the location of the mediation session, how to prepare, etc. The Administrator will select the mediator.

**If you need further information**

If you have any questions or need additional information concerning this notification, you may contact:

The Cincinnati Insurance Companies  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496

Manager, HQ Claims  
513-870-2146

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

**All Commercial Lines Coverage Parts, Coverage Forms, Policies and Endorsements subject to the federal Terrorism Risk Insurance Act and any amendments and extensions thereto**

- A.** The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- B. Cap On Losses from Certified Acts of Terrorism**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that ex-

ceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

- C. Application of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability, omission or absence of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part, Coverage Form, Policy or Endorsement such as losses excluded by:

1. Exclusions that address war, warlike action, insurrection, rebellion, revolution, military action, nuclear hazard, nuclear materials, nuclear reaction, radiation, or radioactive contamination;
2. Exclusions that address pollutants, contamination, deterioration, fungi or bacteria; or
3. Any other exclusion,

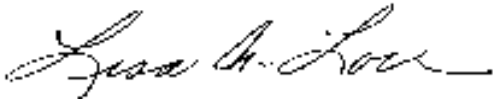
regardless if the "certified act of terrorism" contributes concurrently or in any sequence to the loss.

- D. Sunset Clause**


If the federal Terrorism Risk Insurance Act expires or is repealed, then this endorsement is null and void for any act of terrorism that takes place after the expiration or repeal of the Act.

## SIGNATURE ENDORSEMENT

IN WITNESS WHEREOF, this policy has been signed by our President and Secretary in the City of Fairfield, Ohio, but this policy shall not be binding upon us unless countersigned by an authorized representative of ours. The failure to countersign does not void coverage in Arizona, Virginia and Wisconsin.

A handwritten signature in cursive script, appearing to read "Lisa A. Love".

Secretary

A handwritten signature in cursive script, appearing to read "Steven J. Johnston".

President

The signature on any form, endorsement, policy, declarations, jacket or application other than the signature of the President or Secretary named above is deleted and replaced by the above signatures.



**THE CINCINNATI INSURANCE COMPANY  
THE CINCINNATI CASUALTY COMPANY  
THE CINCINNATI INDEMNITY COMPANY**

**NOTICE TO POLICYHOLDERS**

Please be advised that in your application for insurance you disclosed information to The Cincinnati Insurance Company, The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The information disclosed in the application and all information subsequently collected by any of these companies may be shared among all three.

PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL PROPERTY COVERAGE  
SUPPLEMENTAL ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL OUTPUT POLICY - PROPERTY COVERAGE FORM**

**FORMS AND/OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:**

FM901	01/99	FA475	04/04	FM903	01/99	FA450	05/16
FM101	05/16	SA203KY	07/10	CP0128	07/00	CP0145	05/08
FA4001UT	04/04	FA4028IL	07/17	FA4028MO	10/05	FA4078OH	05/17
FA445AZ	05/16	FA490NC	05/16	FA498KS	10/12	FA499IN	04/04
FA4168	05/16	FA480	02/16	FA244	05/11	FA213	05/16
CP1410	06/95	CP1515	06/95	FA104	05/16	FA241	05/16
FA250	05/16	FA4053	04/06				

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MULTIPLE DEDUCTIBLE FORM**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Loc. Number	Bldg. Number	Earthquake Deductible*	Flood Deductible**	Deductible (Except Earthquake or Flood)
ALL	LOC	EXCEPT 4, 9 & 11		5,000 BUILDING AND BUSINESS PERSONAL PROPERTY
4	1			500 BUILDING
9	1			500 BUILDING
11	1			500 BUILDING

\* Per the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**

\*\* Per the **FLOOD COVERAGE ENDORSEMENT**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

#### **Multiple Deductibles**

- a. In the event that "loss" occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule in the column titled "Deductible - Except Earthquake or Flood" or in the Declarations, will apply. However, if less than 50% of the aggregate amount of "loss" from that occurrence occurs at the building with the highest deductible, the next high-

est deductible among the buildings in the Schedule or Declarations that has suffered "loss" should be applied.

- b. Paragraph a. of this endorsement does not apply to any:

- (1) Earthquake deductible applicable to the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**, or
- (2) Flood deductible applicable to the **FLOOD COVERAGE ENDORSEMENT**.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COMMERCIAL PROPERTY MORTGAGE HOLDER SCHEDULE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL OUTPUT POLICY - PROPERTY COVERAGE FORM**

<b><u>ITEM #</u></b>	<b><u>MORTGAGE HOLDER</u></b>
<b>BLKT</b>	<b>BLANKET WHEN REQUIRED BY WRITTEN CONTRACT</b>

## COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### A. Concealment, Misrepresentation or Fraud

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### B. Control of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of direct "loss", the breach of condition does not exist.

### C. Insurance Under Two or More Coverages

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

### D. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct "loss" occurred.

### E. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### F. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### G. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered "loss". Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same "loss", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. **However, we will not reimburse any deductible or difference between Actual Cash Value and Replacement Cost valuations.** We will not pay more than the applicable Limit of Insurance.

### H. Policy Period, Coverage Territory

Under this Coverage Part:

1. We cover "loss" commencing:
  - a. During the policy period shown in the Declarations; and
  - b. Within the coverage territory.
2. The coverage territory:
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada.

### I. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after direct "loss" to impair them. But you may waive your rights against another party in writing:

1. Prior to a direct "loss" to your Covered Property or Covered Income.
2. After a direct "loss" to your Covered Property or Covered Income only if, at time of direct "loss", that party is one of the following:
  - a. Someone insured by this insurance;
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you; or
  - c. Your tenant.

This will not restrict your insurance.

# BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)

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# BUILDING AND PERSONAL PROPERTY COVERAGE FORM

## (INCLUDING SPECIAL CAUSES OF LOSS)

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION G. DEFINITIONS.**

### SECTION A. COVERAGE

We will pay for direct "loss" to Covered Property at the "premises" caused by or resulting from any Covered Cause of Loss.

#### 1. Covered Property

Covered Property, as used in this Coverage Part, means the following types of property for which a Limit of Insurance is shown in the Declarations:

##### a. Building

Building, means the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
  - (a) Machinery and equipment;
  - (b) Building glass, including any lettering and ornamentation;
  - (c) Signs attached to a building or structure that is Covered Property;
  - (d) Awnings and canopies;
- (4) Personal property owned by you that is used to maintain or service a covered building or its "premises", including:
  - (a) Fire extinguishing equipment;
  - (b) Outdoor furniture;
  - (c) Floor coverings; and
  - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to a covered building;

(b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the "premises", used for making additions, alterations or repairs to a covered building.

#### b. Outdoor Signs

Your outdoor signs permanently installed and not attached to a covered building, and located within 1,000 feet of the "premises".

#### c. Outdoor Fences

Your outdoor fences.

#### d. Business Personal Property

Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater. Your Business Personal Property consists of the following unless otherwise specified in the Declarations or on the **BUSINESS PERSONAL PROPERTY - SEPARATION OF COVERAGE ENDORSEMENT.**

- (1) Furniture;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) The cost of labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) Made a part of the building or structure you occupy but do not own; and
  - (b) You acquired or made at your expense but cannot legally remove;

(7) Leased personal property used in your business for which you have a contractual responsibility to insure. Such leased property is not considered personal property of others in your care, custody or control;

(8) Personal Property of Others that is in your care, custody or control or for which you are legally liable.

(a) This does not include personal effects owned by you, your officers, your partners, or if you are a limited liability company, your members or your managers, or your employees (including leased and temporary workers), except as provided in **5. Coverage Extensions, I. Personal Effects**;

(b) This does not include property of others for which you are legally liable as:

- 1) A carrier for hire; or
- 2) An arranger of transportation, including car loaders, consolidators, brokers, freight forwarders, or shipping associations; and

(9) Sales samples.

## 2. **Property Not Covered**

Covered Property does not include:

### a. **Accounts, Deeds, Money or Securities**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, Accounts, bills, currency, deeds, food stamps or other evidences of debt, "money", notes or "securities";

### b. **Animals**

Animals, unless

- (1) Owned by others and boarded by you; or
- (2) Owned by you and covered as "stock" while inside of buildings;

and then only as provided in **3. Covered Causes of Loss, c. Limitations**.

### c. **Automobiles**

Automobiles held for sale;

### d. **Contraband**

Contraband, or property in the course of illegal transportation or trade;

### e. **Electronic Data**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, "Electronic data". This Paragraph e. does not apply to your "stock" of prepackaged software or to "electronic data" which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

### f. **Excavations, Grading & Backfilling**

The cost of excavations, grading, backfilling or filling;

### g. **Foundations**

Foundations of buildings, structures, machinery or boilers, if their foundations are below:

- (1) The lowest basement floor; or
- (2) The surface of the ground, if there is no basement.

### h. **Land, Water or Growing Crops**

Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetative roof);

### i. **Paved Surfaces**

Bridges, roadways, walks, patios or other paved surfaces;

### j. **Property While Airborne or Waterborne**

Personal property while airborne or waterborne;

### k. **Pilings or Piers**

Pilings, piers, bulkheads, wharves or docks;

### l. **Property More Specifically Insured**

Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except as provided in **G. Other Insurance** of the **COMMERCIAL PROPERTY CONDITIONS**;

### m. **Retaining Walls**

Retaining walls that are not part of any building described in the Declarations;

### n. **Underground Pipes, Flues or Drains**

Underground pipes, flues or drains;

**o. Valuable Papers & Records and Cost to Research**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the cost to research, replace or restore the information on "valuable papers and records", including those which exist as "electronic data".

This does not apply to "valuable papers and records" held for sale by you.

**p. Vehicles or Self-Propelled Machines**

Vehicles or self-propelled machines (including aircraft or watercraft) that:

- (1) Are licensed for use on public roads; or
- (2) Are operated principally away from the "premises".

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (2) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (3) Rowboats or canoes out of water and located at the "premises"; or
- (4) Trailers, but only as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, o. Trailers (Nonowned Detached)**.

**q. Property While Outside of Buildings**

The following property while outside of buildings (except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**):

- (1) Grain, hay, straw or other crops;
- (2) Signs, except:
  - (a) Signs attached to a covered building or structure;
  - (b) Signs for which a Limit of Insurance is shown in the Declarations.
- (3) Outdoor fences, except outdoor fences for which a Limit of Insurance is shown in the Declarations;
- (4) Radio antennas, television antennas or satellite dishes; including their lead-in wiring, masts, and towers; and

- (5) Trees, shrubs or plants (other than trees, shrubs or plants that are "stock" or part of a vegetative roof).

**3. Covered Causes of Loss**

**a. Covered Causes of Loss**

Covered Causes of Loss means direct "loss" unless the "loss" is excluded or limited in this Coverage Part.

**b. Exclusions**

- (1) We will not pay for "loss" caused directly or indirectly by any of the following, unless otherwise provided. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**(a) Ordinance or Law**

Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the enforcement of or compliance with any ordinance or law:

- 1) Regulating the construction, use or repair of any building or structure; or
- 2) Requiring the tearing down of any building or structure, including the cost of removing its debris.

This exclusion applies whether "loss" results from:

- 1) An ordinance or law that is enforced even if the building or structure has not been damaged; or
- 2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of any building or structure, or removal of its debris, following a direct "loss" to that building or structure.

**(b) Earth Movement**

- 1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- 2) Landslide, including any earth sinking, rising or shifting related to such event;

- 3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- 4) Earth sinking (other than "sinkhole collapse"), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in (b)1) through 4) above, results in fire or explosion, we will pay for the "loss" caused by that fire or explosion.

- 5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or volcanic action, we will pay for the "loss" caused by that fire, building glass breakage or volcanic action.

Volcanic action means direct "loss" resulting from the eruption of a volcano when the "loss" is caused by:

- a) Airborne volcanic blast or airborne shock waves;
- b) Ash, dust or particulate matter; or
- c) Lava flow.

With respect to coverage for Volcanic Action, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct "loss" to the described property.

This Earth Movement exclusion applies regardless of whether any of the above, in paragraphs 1) through 5), is caused by an

act of nature or is otherwise caused.

#### (c) Governmental Action

Seizure or destruction of property by order of governmental authority. However, we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

#### (d) Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

#### (e) Utility Services

- 1) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, q. Utility Services**, the failure of power, communication, water or other utility services supplied to the "premises", however caused, if the failure:

- a) Originates away from the "premises"; or
- b) Originates at the "premises", but only if such failure involves equipment used to supply the utility service to the "premises" from a source away from the "premises".

Failure of any utility service includes lack of sufficient capacity and reduction in supply. "Loss" caused by a surge of power is also excluded if the surge would not have occurred but for an event causing the failure of power.

However, if the failure or surge of power, or the failure of communication, water, wastewater removal or other utility service results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss.

Communication services include but are not limited to

service relating to Internet access or access to any electronic, cellular or satellite network.

**(f) War and Military Action**

- 1) War, including undeclared or civil war;
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**(g) Water**

- 1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - b) Waves, tidal waters, tidal waves (including tsunami); or
  - c) Water from rivers, ponds, lakes, streams, or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary;

and all whether driven by wind or not, including storm surge.
- 2) Mudslides or mudflows, which are caused by flooding as defined above in Paragraph (g)1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current;

- 3) Water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; or
- 4) Water under the ground surface pressing on, or flowing or seeping through:
  - a) Foundations, walls, floors or paved surfaces;
  - b) Basements, whether paved or not; or
  - c) Doors, windows or other openings.
- 5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (g)1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

This exclusion applies regardless of whether any of the above in Paragraphs (g)1) through (g)5) is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

However, if any of the above, as described in Paragraphs (g)1) through (g)5), results in fire, explosion or sprinkler leakage, we will pay for that portion of "loss" caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

**(h) "Fungi", Wet Rot, Dry Rot, and Bacteria**

- 1) Presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria. But if "fungi", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

2) This exclusion does not apply:

- a) When "fungi", wet or dry rot or bacteria results from fire or lightning; or
- b) To the extent that coverage is provided in **SECTION A. COVERAGE, 5. Coverage Extensions, g. "Fungi", Wet Rot, Dry Rot and Bacteria - Limited Coverage** with respect to "loss" from a cause of loss other than fire or lightning.

Exclusions **b.(1)(a)** through **b.(1)(h)** apply whether or not the "loss" event results in widespread damage or affects a substantial area.

(2) We will not pay for "loss" caused by or resulting from any of the following:

**(a) Electrical Current**

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- 1) Electrical or electronic wire, device, appliance, system or network; or
- 2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- 1) Electrical current, including arcing;
- 2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- 3) Pulse of electromagnetic energy; or
- 4) Electromagnetic waves or microwaves.

However, if fire results, we will pay for "loss" caused by that fire.

**(b) Delay or Loss of Use**

Delay, loss of use or loss of market.

**(c) Smoke, Vapor, Gas**

Smoke, vapor or gas from agricultural smudging or industrial operations.

**(d) Miscellaneous Causes of Loss**

- 1) Wear and tear;
- 2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- 3) Smog;
- 4) Settling, cracking, shrinking or expansion;
- 5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- 6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in elevator collision, we will pay for that portion of "loss" caused by that elevator collision; or
- 7) The following causes of loss to personal property:
  - a) Marring or scratching;
  - b) Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, a. Change in Temperature or Humidity** and **5. Coverage Extensions, q. Utility Services**;
    - i) Dampness or dryness of atmosphere; and
    - ii) Changes in or extremes of temperature.

However, if an excluded cause of loss listed in **(2)(d)1)** through **7)** results in a "specified cause of loss" or building glass breakage, we will pay for that portion of "loss" caused by that "specified cause of loss" or building glass breakage.

**(e) Explosion of Steam Apparatus**

Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for that portion of "loss" caused by that fire or combustion explosion. We will also pay for "loss" caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**(f) Water Seepage**

Continuous or repeated seepage or leakage of water or the presence or condensation of humidity, moisture, or vapor that occurs over a period of 14 days or more.

**(g) Freezing of Plumbing**

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protection systems) caused by or resulting from freezing, unless:

- 1) You did your best to maintain heat in the building or structure; or
- 2) You drained the equipment and shut off the supply if the heat was not maintained.

**(h) Dishonest or Criminal Acts**

Dishonest or criminal acts (including theft) by you, any of your partners, members (if a limited liability company), officers, managers, employees (including leased workers or temporary employees) directors, trustees, or authorized representatives; whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during the hours of operation.

This **Dishonest or Criminal Acts** exclusion does not apply to acts of destruction by your employees (including leased workers or temporary employees) or by authorized representatives; except theft by employees (including leased workers or temporary employees) is not covered.

**(i) Voluntary Parting Under False Pretense**

Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

**(j) Exposure to Weather**

Rain, snow, ice or sleet to personal property in the open.

**(k) Collapse**

Collapse, including any of the following conditions of property or any part of the property:

- 1) An abrupt falling down or caving in;
- 2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- 3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to Paragraph **(k)1)** or **2)** above.

But if collapse results in a Covered Cause of Loss at the "premises", we will pay for "loss" caused by that Covered Cause of Loss.

This exclusion **Collapse** does not apply:

- 1) To the extent that coverage is provided under the **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse**; or
- 2) To collapse caused by one or more of the following:



- a) The "specified causes of loss";
- b) Breakage of building glass;
- c) Weight of rain that collects on a roof; or
- d) Weight of people or personal property.

**(l) Pollutants**

Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

This exclusion does not apply to "loss" to glass caused by chemicals applied to the glass.

**(m) Loss or Damage to Product**

We will not pay for "loss" to Covered Property consisting of merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for "loss" caused by that Covered Cause of Loss.

**(n) Neglect**

Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of "loss".

- (3)** We will not pay for "loss" caused by or resulting from any of the following in Paragraphs **(3)(a)** through **(3)(c)**. However, if an excluded cause of loss that is listed in Paragraphs **(3)(a)** through **(3)(c)** results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss:

**(a) Weather Conditions**

Weather conditions, but this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a)** through **(1)(h)** to produce the "loss".

**(b) Acts or Decisions**

Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

**(c) Defects, Errors, and Omissions**

- 1)** An act, error, or omission (negligent or not) relating to:

- a) Land use;
- b) Design, specifications, construction, workmanship;
- c) Planning, zoning, development, surveying, siting, grading, compaction; or
- d) Maintenance, installation, renovation, repair, or remodeling

of part or all of any property on or off the "premises";

- 2)** A defect, weakness, inadequacy, fault, or unsoundness in materials used in construction or repair of part or all of any property on or off the "premises"; or
- 3)** The cost to make good any error in design.

**(4) Special Exclusions**

The Special Exclusions apply only to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**; and if attached to this policy, the following coverage forms: **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, and EXTRA EXPENSE COVERAGE FORM.**

We will not pay for:

- (a) Any "loss" caused by or resulting from:
  - 1) Damage or destruction of "finished stock"; or
  - 2) The time required to reproduce "finished stock".

This Exclusion **(4)(a)** does not apply to Extra Expense.
- (b) Any "loss" caused by or resulting from damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (c) Any increase of "loss" caused by or resulting from:
  - 1) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - 2) Suspension, lapse or cancellation of any license, lease or contract. However, if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such "loss" that affects your "Business Income" during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period of Indemnity Optional Coverage or any variation of these.
- (d) Any Extra Expense caused by or resulting from suspension, lapse

or cancellation of any license, lease or contract beyond the "period of restoration".

- (e) Any other indirect "loss".

**c. Limitations**

The following limitations apply to all policy forms and endorsements shown on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**, unless otherwise stated:

**(1) Limitations - Various Types of Property**

We will not pay for "loss" to property as described and limited in this section. In addition, we will not pay for any "loss" that is a consequence of "loss" as described and limited in this section.

**(a) Steam Apparatus**

Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for "loss" to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**(b) Hot Water Boilers**

Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

**(c) Building Interiors**

The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

- 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
- 2) The "loss" is caused by or results from thawing of

snow, sleet or ice on the building or structure.

**(d) Theft of Building Materials**

Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- 1) Building materials and supplies held for sale by you; or
- 2) "Business Income" coverage or Extra Expense coverage.

**(e) Missing Property**

Property that is missing, where the only evidence of the "loss" is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

**(f) Transferred Property**

Property that has been transferred to a person or to a place outside the "premises" on the basis of unauthorized instructions.

**(g) Vegetative Roofs**

Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

- 1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
- 2) Changes in or extremes of temperature;
- 3) Disease;
- 4) Frost or hail; or
- 5) Rain, snow, ice or sleet.

**(2) Limitations - Various Property for Specified Causes**

We will not pay for "loss" to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

- (a)** Animals, and then only if they are killed or their destruction is deemed necessary.

- (b)** Contractors equipment, machinery and tools owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

- 1) If the property is located on or within 1,000 feet of the "premises"; or
- 2) To Business Income coverage or to Extra Expense coverage.

**(3) Limitation - Personal Property Theft**

This Limitation does not apply to "Business Income" coverage or to Extra Expense coverage. For each category described in Paragraph **c.(3)(a)** through **(3)(d)** below, the most we will pay for "loss" in any one occurrence of theft to all property in that category, regardless of the types or number of articles for that category that are lost or damaged in that occurrence, are the following special limits:

- (a)** \$2,500 for Furs, fur garments and garments trimmed with fur.
- (b)** \$2,500 for Jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limitation does not apply to jewelry and watches worth \$100 or less per item.
- (c)** \$2,500 for Patterns, dies, molds and forms.
- (d)** \$250 for Stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are not additional Limits of Insurance.

**(4) Limitation - System or Appliance Defects**

- (a)** We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes; and
- (b)** We will not pay to replace the substance that escapes as described in Paragraph **c.(4)(a)** above.

But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage results in discharge of any substance from an automatic fire protection system, or is directly caused by freezing.

However, this Limitation **c.(4)(a)** does not apply to "Business Income" Coverage or to Extra Expense Coverage.

#### **4. Additional Coverages**

Unless stated otherwise, **SECTION C. DEDUCTIBLE** does not apply to Paragraph **4. Additional Coverages**.

Unless stated otherwise, these Paragraph **4. Additional Coverages** apply on a per location basis.

##### **a. Change in Temperature or Humidity**

We will pay for direct "loss" to your covered Business Personal Property caused by a change in temperature or humidity or contamination by refrigerant resulting from damage by a Covered Cause of Loss to equipment used for refrigerating, cooling, humidifying, dehumidifying, air conditioning, heating, generating or converting power (including their connections and supply or transmission lines and pipes) when located on the "premises".

This Coverage is included within the Limits of Insurance shown in the Declarations.

##### **b. Debris Removal**

(1) Subject to Paragraphs **b.(2), (3)** and **(4)** of this Additional Coverage, we will pay your expense to remove debris of Covered Property and other debris that is on the "premises", when such debris is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct "loss".

(2) Debris Removal does not apply to costs to:

- (a) Extract "pollutants" from land or water;
- (b) Remove, restore or replace polluted land or water;
- (c) Remove debris of property of yours that is not insured under this Coverage Part, or property in your possession that is not Covered Property;

(d) Remove debris of property owned by or leased to the landlord of the building where your "premises" are located, unless you have a contractual responsibility to insure such property and it is insured under this Coverage Part;

(e) Remove any property that is Property Not Covered, including property addressed under **5. Coverage Extensions, k. Outdoor Property**.

(f) Remove property of others of a type that would not be Covered Property under this Coverage Part;

(g) Remove deposits of mud or earth from the grounds of the "premises".

(3) Subject to the exceptions in Paragraph **b.(4)** below, the following provisions apply:

(a) The most we will pay for the total of direct "loss" plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained "loss".

(b) Subject to Paragraph **b.(3)(a)**, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained "loss".

(4) We will pay up to an additional \$10,000 for debris removal expense for each "premises", in any one occurrence of direct "loss" to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct "loss" exceeds the Limit of Insurance on the Covered Property that has sustained "loss".

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained "loss".

Therefore, if Paragraph **b.(4)(a)** and/or **(4)(b)** apply, our total payment for direct

"loss" and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained "loss", plus \$10,000.

#### (5) Examples

The following examples assume that there is no coinsurance penalty.

##### Example #1

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$50,000
Amount of "Loss" Payable (\$50,000 - \$500)	\$49,500
Debris Removal Expense	\$10,000
Debris Removal Expense Payable (\$10,000 is 20% of \$50,000)	\$10,000

The debris removal expense is less than 25% of the sum of the "loss" payable plus the deductible. The sum of the "loss" payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

##### Example #2

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$80,000
Amount of "Loss" Payable (\$80,000 - \$500)	\$79,500
Debris Removal Expense	\$30,000
Debris Removal Expense Payable	
Basic Amount	\$10,500
Additional Amount	\$10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500. The cap applies because the sum of the "loss" payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the "loss" payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the "loss" payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal ex-

pense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

#### c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 in any one occurrence for your liability, which is determined prior to the direct "loss", for fire department service charges:

- (1) Assumed by contract or agreement; or
- (2) Required by local ordinance.

Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

#### d. Fire Protection Equipment Recharge

- (1) We will pay for the expenses you incur to recharge your automatic fire suppression system or portable fire extinguishers when the equipment is discharged:
  - (a) To combat a covered fire to which this insurance applies;
  - (b) As a result of another covered Cause of Loss other than fire; or
  - (c) As a result of an accidental discharge.
- (2) We will not pay your expenses to recharge fire protection equipment as a result of a discharge during testing or installation.
- (3) If it is less expensive to do so, we will pay your costs to replace your automatic fire suppression system or portable fire extinguishers rather than recharge that equipment.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

#### e. Inventory or Appraisal

- (1) We will pay the necessary expenses you incur to prepare claim information as required by this Coverage Part. Expenses must result from:
  - (a) Taking inventories;
  - (b) Making appraisals; and

- (c) Preparing a statement of loss and other supporting exhibits.

(2) We will not pay for any expenses:

- (a) Incurred to prove that "loss" is covered;
- (b) Incurred under **SECTION D. LOSS CONDITIONS, 2. Appraisal**;
- (c) Incurred for examinations under oath;
- (d) Billed by and payable to independent or public adjusters; or
- (e) To prepare claims not covered by this Coverage Part.

The most we will pay for any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the shown in the Declarations.

**f. Key and Lock Expense**

- (1) If a key or master key is lost, stolen, or damaged, we will pay for:
  - (a) The actual expense of the new keys; and
  - (b) The adjustment of locks to accept new keys; or
  - (c) If required, new locks, including the expense of their installation;
 but only for locks at buildings or structures covered by this Coverage Part.
- (2) This Coverage does not apply to keys that were given to former employees.

The most we will pay in any one occurrence under this Additional Coverage is Limit of Insurance \$1,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

**g. Ordinance or Law**

- (1) If a covered building or structure sustains direct "loss" from a Covered Cause of Loss, resulting in the enforcement of or compliance with an ordinance or law that is in force at the time of "loss" and regulates the demolition, construction or repair of buildings or structures, or establishes zoning or land use requirements at the "premises", then subject to **SECTION D, LOSS CONDITIONS, 4. Loss Payment**, we will pay:

**(a) Loss of Use of Undamaged Parts of Buildings**

The costs you incur to rebuild at the same "premises" any undamaged portion of your building or structure caused by enforcement of or compliance with an ordinance or law requiring demolition of undamaged parts of the same building or structure. We will only pay the costs to satisfy the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

**(b) Demolition Costs**

The costs you incur to demolish and clear the site of undamaged parts of the same building or structure as a result of Paragraph **g.(1)(a)** above.

**(c) Increased Costs of Construction**

- 1) For buildings or structures to which **SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies, the increased costs to comply with the minimum standards of an ordinance or law to:
  - a) Repair or reconstruct damaged portions of that building or structure; and
  - b) Reconstruct or remodel undamaged portions of that building or structure whether or not demolition is required;

However, this increased cost of construction applies only if the building or structure is repaired, reconstructed or remodeled and is intended for occupancy similar to the building or structure it replaces, unless such occupancy is not permitted by zoning or land use ordinance or law.

- 2) For this Paragraph **g.(1)(c)** only, the increased costs to repair or reconstruct the following:

- a) The cost of excavations, grading, backfilling and filling;
- b) Foundation of the building;
- c) Pilings;
- d) Underground pipes, flues and drains.

The items listed in Paragraphs **g.2)a)** through **g.2)d)** above are deleted from **SECTION A. COVERAGE, 2. Property Not Covered;**

**(2) We will not pay for:**

- (a)** Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria; or
  - (b)** The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.
- (3)** We will not pay for "loss" due to any ordinance or law that:
- (a)** You were required to comply with before the "loss", even if the building or structure was undamaged; and
  - (b)** With which you failed to comply.
- (4)** The terms of this Additional Coverage apply separately to each building or structure covered by this Coverage Part.

The most we will pay under this Additional Coverage is \$10,000 per building. This is in addition to the Limit of Insurance shown in the Declarations for the building suffering "loss".

**h. Pollutant Clean Up and Removal**

We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage,

migration, release, escape or emission of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each "premises" is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term". This Coverage is in addition to the Limit of Insurance shown in the Declarations.

**i. Preservation of Property**

If it is necessary to move Covered Property from the "premises" to preserve it from imminent "loss" by a Covered Cause of Loss, we will pay for any direct "loss" to that property:

- (1)** While it is being moved or while temporarily stored at another location; and
- (2)** Only if the "loss" occurs within 60 days after the property is first moved.

This Coverage is included within Limit of Insurance shown in the Declarations for such Covered Property.

**j. Rewards**

We will pay to provide a reward for information that leads to a conviction for arson, theft, vandalism, or burglary. The conviction must involve a covered "loss" caused by arson, theft, vandalism, or burglary.

The most we will pay for loss in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

**5. Coverage Extensions**

Unless amended within a particular Coverage Extension, each Extension applies to property located in or on the building described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the "premises".

The limits applicable to the Coverage Extensions are in addition to the Limit of Insurance shown in the Property Declarations. Limits of Insurance specified in these Extensions apply per location unless stated otherwise.

**SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**, does not apply to these Coverage Extensions.

**a. Accounts Receivable**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

(1) When you sustain direct "loss" to your accounts receivable records caused by a Covered Cause of Loss, we will pay:

- (a) All amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (c) Collection expenses in excess of your normal collection expenses that are made necessary by the "loss"; and
- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

(2) Coverage does not apply to:

- (a) Records of accounts receivable in storage away from the "premises"; or
- (b) Contraband, or property in the course of illegal transportation or trade.

(3) We will extend coverage to include:

**(a) Removal**

If you give us written notice within 30 days of removal of your records of accounts receivable because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limit of Insurance applicable to this Coverage Extension.

**(b) Away From Your Premises**

The most we will pay in any one occurrence is \$5,000, regardless of the number of locations, for "loss" caused by a Covered Cause of Loss to Accounts Receivable while they are away from your "premises".

This Away From Premises Limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

**(4) SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (a) Exclusion (1)(c) Governmental Action;**
- (b) Exclusion (1)(d) Nuclear Hazard;**
- (c) Exclusion (1)(f) War and Military Action.**

**(5)** In addition to Paragraph **a.(4)** of this Coverage Extension, we will not pay for "loss" resulting from any of the following:

**(a) Dishonest or criminal acts by:**

- 1) You, your partners, employees, directors, trustees or authorized representatives;
- 2) A manager or a member if you are a limited liability company;
- 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
- 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **a.(5)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **a.(5)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

**(b)** Alteration, falsification, concealment or destruction of records of



accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- (c) Bookkeeping, accounting or billing errors or omissions.
- (d) Electrical or magnetic injury, disturbance or erasure of "electronic data" that is caused by or results from:
  - 1) Programming errors or faulty machine instructions;
  - 2) Faulty installation or maintenance of data processing equipment or component parts;
  - 3) An occurrence that took place more than 100 feet from your "premises"; or
  - 4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

But we will pay for direct "loss" caused by lightning.

- (e) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- (f) A "loss" that requires any audit of records or any inventory computation to prove its factual existence.

**(6) Determination of Receivables:**

- (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of direct "loss", the following method will be used:
  - 1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the direct "loss" occurs; and
  - 2) Adjust that total for any normal fluctuations in the amount of accounts receiv-

able for the month in which the direct "loss" occurred or for any demonstrated variance from the average for that month.

- (b) The following will be deducted from the total amount of accounts receivable, however that amount is established:
  - 1) The amount of the accounts for which there is no direct "loss"; and
  - 2) The amount of the accounts that you are able to re-establish or collect; and
  - 3) An amount to allow for probable bad debts that you are normally unable to collect; and
  - 4) All unearned interest and service charges.

The most we will pay for loss in any one occurrence under this Coverage Extension is \$25,000.

**b. Business Income and Extra Expense**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

**(1) Business Income**

We will pay for the actual loss of "Business Income" and "Rental Value" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at a "premises" caused by or resulting from any Covered Cause of Loss. With respect to "loss" to personal property in the open or personal property in a vehicle or portable storage unit, the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

With respect to the requirements of the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purpose of this Coverage Extension only, your "premises" is the portion of the building that you rent, lease or occupy, including:

- (a) Any area within the building or on the site at which the "premises" are located if that area ser-

vices or is used to gain access to the "premises"; and

- (b) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

## (2) Extra Expense

- (a) We will pay Extra Expense you sustain during the "period of restoration". Extra Expense means necessary expenses you sustain (as described in Paragraphs **(2)(b)**, **(c)** and **(d)**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- (b) If these expenses reduce the otherwise payable "Business Income" loss, we will pay expenses (other than the expense to repair or replace property as described in Paragraph **(2)(c)**) to:
  - 1) Avoid or minimize the "suspension" of business and to continue "operations" either:
    - a) At the "premises"; or
    - b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
  - 2) Minimize the "suspension" of business if you cannot continue "operations".
- (c) We will also pay expenses to:
  - 1) Repair or replace property; or
  - 2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" loss. If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal "operations", the amount we will pay under

this Coverage will be reduced by the salvage value of that property.

- (d) Extra Expense does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

## (3) Civil Authority

When a Covered Cause of Loss causes damage to property other than Covered Property at a "premises", we will pay for the actual loss of "Business Income" and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

This Civil Authority coverage for "Business Income" will begin immediately after the time of that action and will apply for a period of up to 30 days from the date of that action.

This Civil Authority coverage for Extra Expense will begin immediately after the time of that action and will end:

- 1) 30 consecutive days after the time of that action; or
- 2) When your "Business Income" coverage ends;

whichever is later.

## (4) Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss to:

- (a) New buildings or structures, whether complete or under construction;
- (b) Alterations or additions to existing buildings or structures; and
- (c) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
  - 1) Used in the construction, alterations or additions; or
  - 2) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" Coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

**(5) Newly Purchased or Leased Locations**

We will pay the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" to Covered Property at any location you purchase or lease caused by or resulting from a Covered Cause of Loss. This coverage for the Newly Purchased or Leased Locations will end when any of the following first occurs:

- (a) This policy expires;
- (b) You report values to us;
- (c) 90 days pass from the date you acquire or begin to construct the Covered Property.

**(6) Extended Business Income**

- (a) For "Business Income" Other Than "Rental Value", if the necessary "suspension" of your "operations" produces a "Business Income" or Extra Expense loss payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur during the period that:
  - 1) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
  - 2) Ends on the earlier of:

- a) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(a)1)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained or Extra Expense incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

- (b) For "Rental Value", if the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you incur during the period that:

- 1) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- 2) Ends on the earlier of:
  - a) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or
  - b) 60 consecutive days after the date determined in **b.(6)(b)1)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of

Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

**(7) Interruption of Computer Operations**

- (a) Subject to all provisions of this Coverage Extension, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data.**
- (b) Paragraph **b.(7)(a)** does not apply to loss sustained or expense sustained after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **b.(7)(c)** has not been exhausted.
- (c) The most we will pay under Paragraph **b.(7)** of this Coverage Extension is \$2,500 for all loss sustained and expense sustained in the "coverage term", regardless of the number of interruptions or the number of "premises" or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not carry over to the next "coverage term". With respect to an interruption that begins in a "coverage term" and continues or results in additional loss or expense in a subsequent "coverage term", all loss and expense is deemed to be sustained in the "coverage term" in which the interruption began.

This \$2,500 coverage for Interruption of Computer Operations does not increase the Limit of Insurance provided in this Coverage Extension.

The most we will pay for loss in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$25,000.

**c. Collapse**

The coverage provided under this Coverage Extension applies only to an abrupt collapse as described and limited in Paragraphs **c.(1)** through **c.(7)** below.

- (1) For the purpose of this Coverage Extension only, abrupt collapse means an abrupt falling down or caving in of a building or structure or any part of a building or structure with the result that the building or structure or part of the building or structure cannot be occupied for its intended purpose.
- (2) We will pay for direct "loss" to Covered Property, caused by abrupt collapse of a building or structure or any part of a building or structure insured under this Coverage Part, or that contains Covered property insured under this Coverage Part, if such collapse is caused by one or more of the following:
  - (a) Building or structure decay that is hidden from view, unless the presence of such decay is known or should reasonably have been known to an insured prior to collapse;
  - (b) Insect or vermin damage that is hidden from view, unless the presence of such damage is known or should reasonably have been known to an insured prior to collapse;
  - (c) Use of defective material or methods in construction, remodeling, or renovation if the abrupt collapse occurs during the course of the construction, remodeling, or renovation.
  - (d) Use of defective materials or methods in construction, remodeling, or renovation if the abrupt collapse occurs after construction, remodeling, or renovation is complete but only if the collapse is caused in part by:
    - 1) A cause of loss listed in Paragraph **c.(2)(a)** or **c.(2)(b)** of this Coverage Extension;
    - 2) One or more of the "specified causes of loss";

- 3) Breakage of building glass;
  - 4) Weight of people or personal property; or
  - 5) Weight of rain that collects on a roof.
- (3) This Coverage Extension does not apply to:
- (a) A building or structure or any part of a building or structure that is in danger of falling down or caving in;
  - (b) A part of a building or structure that is standing, even if it has separated from another part of the building or structure; or
  - (c) A building or structure that is standing or any part of a building or structure that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (4) With respect to the following property:
- (a) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
  - (b) Awnings, gutters and downspouts;
  - (c) Yard fixtures;
  - (d) Outdoor swimming pools;
  - (e) Fences;
  - (f) Piers, wharves and docks;
  - (g) Beach or diving platforms; including their appurtenances;
  - (h) Retaining walls; and
  - (i) Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in Paragraph **c.(2)(a)** through **c.(2)(d)**, we will pay for "loss" to that property only if:
- (a) Such "loss" is a direct result of the abrupt collapse of a building or structure insured under this Coverage Part; and
  - (b) The property is Covered Property under this Coverage Part.
- (5) If personal property abruptly falls down or caves in and such collapse

is **not** the result of abrupt collapse of a building or structure, we will pay for direct "loss" to Covered Property caused by such collapse of personal property only if:

- (a) The collapse of personal property was caused by a Cause of Loss listed in **c.(2)(a)** through **c.(2)(d)** of this Coverage Extension;
- (b) The personal property that collapses is inside a building; and
- (c) The property that collapses is not of a kind listed in Paragraph **c.(4)** above of this Coverage Extension, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **c.(5)** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- (6) This Coverage Extension does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (7) This Coverage Extension shall not increase the Limit of Insurance provided in this Coverage Part.
- (8) The term Covered Cause of Loss includes Collapse as described and limited in Paragraphs **c.(1)** through **c.(7)**.

**d. Electronic Data**

- (1) This Coverage Extension does not apply to your "stock" of prepackaged software, or to "electronic data" which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2) We will pay for the cost to replace or restore "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss that applies to **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**. To the extent that "electronic data" is not replaced or restored, the "loss" will be valued at the cost of replacement of the me-

dia on which the "electronic data" was stored with blank media of substantially identical type.

- (3) For the purposes of this Coverage Extension only, Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, that is designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for "loss" caused by or resulting from manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system or "electronic data".

- (4) The most we will pay for all direct "loss" under this Coverage Extension, regardless of the number of "premises" or computer systems involved, is \$2,500. This limit is the most we will pay for the total of all direct "loss" arising out of all occurrences that take place in the "coverage term". If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent "loss" sustained in the "coverage term". A balance remaining in a "coverage term" does not carry over to the next "coverage term". With respect to an occurrence which begins in the "coverage term" and continues or results in additional "loss" in a subsequent "coverage term", all "loss" is deemed to be sustained in the "coverage term" in which the occurrence began.

**e. Exhibitions, Fairs or Trade Shows**

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered property of others, while it is located at exhibitions, fairs or trade shows. This Coverage Extension does not apply while Covered Property is in transit to or from the exhibition, fair or trade show.

The most we will pay for loss in any one occurrence is \$10,000.

The Limit of Insurance provided under this Coverage Extension does not apply per location.

**f. Fences**

We will pay for direct "loss" caused by a Covered Cause of Loss to your outdoor fences that are located within 1,000 feet of the "premises" and not otherwise insured as Covered Property in this Coverage Part.

The most we will pay for loss in any one occurrence under this Coverage Extension is \$5,000.

**g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage**

- (1) The coverage described in Paragraphs **g.(2)** and **g.(3)** of this Coverage Extension only apply when the "fungi", wet or dry rot or bacteria is the result of a Covered Cause of Loss that occurs during the "coverage term" and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

- (2) We will pay for "loss" by "fungi", wet or dry rot or bacteria. As used in this Coverage Extension, the term "loss" means:

- (a) Direct "loss" to Covered Property caused by "fungi", wet or dry rot or bacteria, including the cost of removal of the "fungi", wet or dry rot or bacteria;
- (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet or dry rot or bacteria; and
- (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", wet or dry rot or bacteria are present.

- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for loss, regardless of the number of claims, is \$15,000. This limit is the most we will pay for the total of all loss arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungi", wet or dry rot or bacteria continues to

be present or active, or recurs, in a subsequent "coverage term".

- (4) The coverage provided under this Coverage Extension does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in "loss" by "fungi", wet or dry rot or bacteria, and other "loss", we will not pay more, for the total of all "loss" than the applicable Limit of Insurance on the affected Covered Property.

If there is covered "loss" to Covered Property, not caused by "fungi", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Coverage Extension, except to the extent that "fungi", wet or dry rot or bacteria causes an increase in the "loss". Any such increase in the "loss" will be subject to the terms of this Coverage Extension.

- (5) The terms of this Coverage Extension do not increase or reduce the coverage provided under:

(a) **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse;**

(b) **SECTION A. COVERAGE, 5. Coverage Extensions, s. Water, Other Liquids, Powder or Molten Material Damage**

- (6) The following (6)(a) or (6)(b) apply only if "Business Income", "Rental Value", or Extra Expense Coverage applies to the "premises" and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable "Business Income", "Rental Value", or Extra Expense Coverage.

(a) If the "loss" which resulted in "fungi", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to "loss" to property caused by "fungi", wet or dry rot or bacteria, then our payment under "Business Income" and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

(b) If a covered "suspension" of "operations" was caused by "loss" other than "fungi", wet or dry rot or bacteria but remedia-

tion of "fungi", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

- (7) This Coverage Extension does not apply to lawns, trees, plants or shrubs that are part of any vegetative roof.

#### h. Glass

- (1) If a Covered Cause of Loss occurs to building glass that is Covered Property, we will also pay necessary expenses you incur to:

(a) Put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;

(b) Repair or replace encasing frames;

(c) Remove or replace obstructions (except expenses to remove or replace window displays); and

(d) Repair or replace alarm tapes.

- (2) If you are a tenant at a covered "premises" and:

(a) The building you occupy is not Covered Property; and

(b) You are legally liable for direct "loss" to the building glass in that building;

such building glass, for the purposes of this Paragraph h.(2), is Covered Property. The most we will pay for loss in any one occurrence is \$5,000. This building glass is subject to the building deductible as described in **SECTION C. DEDUCTIBLE.**

- (3) For the purposes of this Coverage Extension only, **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

(a) **Exclusion (1)(b) Earth Movement;**

(b) **Exclusion (1)(c) Governmental Action;**

(c) **Exclusion (1)(d) Nuclear Hazard;**

- (d) **Exclusion (1)(f) War and Military Action;**
- (e) **Exclusion (2)(d)1) Wear and tear;** and
- (f) As listed in **Exclusion (2)(d)2):** Rust or other corrosion, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

i. **Newly Purchased, Leased or Constructed Property**

(1) **Buildings**

If buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to:

- (a) Your new buildings or additions while being built on the "premises";
- (b) Buildings you newly purchase or become newly required to insure by written contract that are:
  - 1) Intended for use by you as a warehouse; or
  - 2) Similarly used by you as buildings insured under this Coverage Part.

The most we will pay for loss in any one occurrence to a building under this Coverage Extension is \$1,000,000 for each building.

(2) **Business Personal Property**

- (a) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to business personal property you newly purchase or are required to insure by written contract:
  - 1) While located at buildings described in Paragraph **a.(1)** of this Coverage Extension; or
  - 2) While located in a leased building or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.
- (b) Paragraph **a.(2)(a)** of this Coverage Extension does not apply to:

- 1) Any business personal property covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs, or Trade Shows** or **m. Property Off Premises**;
- 2) Any business personal property that is covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, p. Transportation** or is otherwise considered to be in-transit to or from a "premises".
- 3) Business personal property of others that is temporarily in your possession in the course of installing or performing work on such property, or temporarily in your possession in the course of your manufacturing or wholesaling activities.

The most we will pay for loss in any one occurrence to your Business Personal Property under this Coverage Extension is \$500,000 at each building.

(3) **Period of Coverage**

Coverage provided under this Coverage Extension will end when any of the following first occurs:

- (a) This policy expires,
- (b) For buildings described in Paragraph **(1)(a)** of this Coverage Extension, 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (c) For business property described in Paragraph **(1)(b)** and Paragraph **(2)(a)1)**, 90 days after your purchase or lease;
- (d) For business personal property described in Paragraph **(2)(a)2)**, 90 days from the effective date of the lease of the building space in the building; or
- (e) You report values to us.



We will charge you additional premium for values reported from the date you lease or purchase the property, or begin construction on that part of the building that would qualify as Covered Property.

**j. Nonowned Building Damage**

If you are a tenant at a covered "premises" and:

- (1) The building you occupy is not Covered Property; and
- (2) You are legally liable for direct "loss" to that building;

We will pay for direct "loss" to that building caused by burglary, robbery, theft or attempted theft.

This Coverage Extension does not apply to:

- (1) Glass, including lettering and ornamentation, and also necessary:
  - (a) Repair or replacement of encasing frames or alarm tapes; and
  - (b) Expenses incurred to board up openings or remove or replace obstruction.
- (2) Building materials and equipment removed from the "premises".

This Coverage Extension does not apply if you have purchased other insurance in your name on the building you occupy as required by the lease.

The most we will pay for loss in any one occurrence under this Coverage Extension is \$25,000.

**k. Outdoor Property**

We will pay for direct "loss" caused by a Covered Cause of Loss to the following types of your Covered Property:

- (1) Radio antennas, television antennas or satellite dishes (including their lead-in wiring, masts and towers);
- (2) Trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or part of a vegetative roof), including debris removal; and
- (3) If you are a tenant, to your awnings that are attached to a building you occupy;

but only if caused by or resulting from any of the following causes of loss if they are included as Covered Causes of Loss under this Coverage Part:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion;
- (5) Aircraft; or
- (6) Falling objects.

We will pay for the debris removal expenses of the above type property that are not your Covered Property if such debris is on your "premises" due to the Covered Causes of Loss described in this Coverage Extension. If you are a tenant, we do not pay debris removal expenses for trees, plants or shrubs owned by the landlord or owner of the building you occupy.

No other coverage for debris removal expenses provided in this Coverage Part applies to this Outdoor Property Coverage Extension.

The most we will pay for loss in any one occurrence under this Coverage Extension is \$5,000, but not more than \$1,000 for any one tree, shrub or plant.

**l. Personal Effects**

If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to personal effects owned by:

- (1) You, your officers, or your partners, or if you are a limited liability company, your members or your managers; or
- (2) Your employees (including temporary and leased employees), including tools owned by your employees that are used in your business. However, employee tools are not covered for theft.

This Coverage Extension does not apply to "money" or "securities".

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Coverage Extension has a \$500 per occurrence limitation for direct "loss" by theft.

The most we will pay for loss in any one occurrence under this Coverage Extension is \$10,000.

**m. Property Off Premises**

- (1) We will pay for direct "loss" caused by a Covered Cause of Loss to your

Covered Property, including covered personal property of others, while it is away from the "premises", if it is:

- (a) Temporarily at a location you do not own, lease or operate; or
- (b) In storage at a location you lease, provided the lease was executed for the first time after the beginning of the current "coverage term".

- (2) This Coverage Extension does not apply to Covered Property at exhibitions, fairs, trade show, or in transit.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**n. Signs**

We will pay for direct "loss" caused by a Covered Cause of Loss, including debris removal expense, to signs not otherwise insured by this Coverage Part.

The most we will pay for loss in any one occurrence under this Coverage Extension is \$5,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**o. Trailers (Nonowned Detached)**

- (1) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is temporarily in your care, custody or control at the "premises"; and
- (c) You have a contractual responsibility to pay for "loss" to the trailer.

- (2) We will not pay for any direct "loss" that occurs:

- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
- (b) During hitching or unhitching operations, or when a trailer be-

comes accidentally unhitched from a motor vehicle or motorized conveyance.

- (3) This insurance is excess over the amount due, whether you can collect on it or not, from any other insurance covering such property.

- (4) This Coverage Extension does not apply to any property inside or on the trailer.

The most we will pay for loss in any one occurrence under this Coverage Extension is \$5,000.

**p. Transportation**

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others while it is in or on a vehicle, including loading and unloading of the property.

The most we will pay for loss in any one occurrence is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**q. Utility Services**

We will pay for:

- (1) Direct "loss" to Covered Property at your "premises" except for direct "loss" resulting from the partial or complete failure of Wastewater Removal Services; and
- (2) Loss of "Business Income" you sustain and Extra Expenses you incur as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense;**

caused by or resulting from the partial or complete failure of utility services to the "premises".

The partial or complete failure of the utility services listed below must be caused by direct "loss" caused by a Covered Cause of Loss to the following property:

- (1) Power Supply Property, meaning the following types of property supplying electricity, steam or natural gas to the "premises":
  - (a) Utility generating plants;
  - (b) Switching stations;
  - (c) Substations;

- (d) Transformers; and
  - (e) Transmission, distribution, service, or similar lines, excluding all such overhead lines of any type.
- (2) Water Supply Property, meaning the following types of property supplying water to the "premises":
- (a) Pumping stations; and
  - (b) Water mains.
- (3) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the "premises", other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities. Coverage under this Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
- (4) Communication Supply Property, meaning property supplying communication services, including service relating to Internet access or access to any electronic, cellular or satellite network; telephone, radio, microwave or television services to the "premises", such as:
- (a) Communication transmission, distribution, service or similar lines, including fiber optic lines, excluding all such overhead lines of any type;
  - (b) Coaxial cables; and
  - (c) Microwave radio relays, excluding satellites.

This Coverage Extension does not apply to "loss" to "electronic data", including destruction or corruption of "electronic data".

The most we will pay for all direct "loss" and loss of "Business Income" and Extra Expense in any one occurrence is \$25,000.

**r. Valuable Papers and Records**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

- (1) Subject to Paragraph r.(3) of this Coverage Extension, we will pay necessary costs you incur to research, replace or restore lost or

damaged information on "valuable papers and records" that are your property or the property of others in your care, custody or control; resulting from direct "loss" caused by a Covered Cause of Loss.

- (2) Coverage does not apply to:
- (a) Property that cannot be replaced with other property of like kind and quality;
  - (b) Property held as samples or for delivery after sale;
  - (c) Property in storage away from the "premises", except as provided in Paragraph r.(4)(b) of this Coverage Extension;
  - (d) Contraband, or property in the course of illegal transportation or trade;
  - (e) "Valuable papers and records" in the form of "electronic data", including the materials on which the "electronic data" is recorded.
- (3) The most we will pay for "loss" is the least of the following amounts:
- (a) The cost of reasonably restoring the damaged property to its condition immediately before the "loss";
  - (b) The cost of replacing the damaged property with substantially identical property; or
  - (c) The actual cash value of the damaged property at the time of "loss".

However, we will not pay for "loss" unless or until the damaged property is actually replaced or restored; and then only if such replacement or restoration occurs within 36 months from the date of direct "loss".

- (4) We will extend coverage to include:
- (a) **Removal**  
If you give us written notice within 30 days of removal of your "valuable papers and records" because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for direct "loss" while they are:
- 1) At a safe place away from your "premises"; or

- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limits of Insurance applicable to this Coverage Extension.

**(b) Away From Your Premises**

We will pay up to \$5,000 in any one occurrence, regardless of the number of locations, for direct "loss" caused by a Covered Cause of Loss to "valuable papers and records" while they are away from your "premises".

This Away From Premises limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

**(5) SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension except as follows:

- (a) Exclusion (1)(c) Governmental Action;**
- (b) Exclusion (1)(d) Nuclear Hazard; and**
- (c) Exclusion (1)(f) War and Military Action.**

**(6) In addition to Paragraph r.(5) of this Coverage Extension, we will not pay for direct "loss" resulting from any of the following:**

- (a) Dishonest or criminal acts by:**
  - 1) You, your partners, employees, directors, trustees or authorized representatives;**
  - 2) A manager or a member if you are a limited liability company;**
  - 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or**
  - 4) Anyone else entrusted with the records of accounts receivable for any purpose.**

This Paragraph r.(6)(a) applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph r.(6)(a) does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

- (b) Errors or omissions in processing or copying.** However, we will pay for that portion of direct "loss" caused by resulting fire or explosion if these causes of loss would be covered by this Coverage Part.
- (c) Electrical or magnetic injury, disturbance or erasure of electronic recordings.** But we will pay for direct "loss" caused by lightning.
- (d) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.**

The most we will pay for loss in any one occurrence is \$25,000.

**s. Water Damage, Other Liquids, Powder or Molten Material Damage**

If a covered direct "loss" to which this insurance applies was caused by or resulted from water or other liquid, powder or molten material damage, we will also pay the cost to tear out and replace any otherwise undamaged part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

**SECTION B. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except as amended in **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, 4. Additional Coverages, and 5. Coverage Extensions.**

**SECTION C. DEDUCTIBLE**

Except as otherwise provided; in any one occurrence of direct "loss" we will first reduce the amount of "loss" if required by **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** or **SECTION F. OPTIONAL COVERAGES, 1. Agreed Value.** If the adjusted amount of direct "loss" is less than or equal to the Deductible, we will not pay for that direct "loss". If the adjusted amount of direct "loss" exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of direct "loss", and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves direct "loss" to more than one item of Covered Property and separate

Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

## 1. Deductible Examples

### Example No. 1:

(This example assumes there is no coinsurance penalty as outlined in **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**).

Deductible: \$250

Limit of Insurance - Bldg. 1: \$60,000

Limit of Insurance - Bldg. 2: \$80,000

"Loss" to Bldg. 1: \$60,100

"Loss" to Bldg. 2: \$90,000

The amount of "loss" to Bldg. 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Bldg. 1 plus the Deductible.

The Deductible will be subtracted from the amount of "loss" in calculating the "loss" payable for Bldg. 1:

$\$60,100 - \$250 = \$59,850$  "Loss" Payable - Bldg. 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of "loss" payable for Bldg. 2. "Loss" payable for Bldg. 2 is the Limit of Insurance of \$80,000.

Total amount of "loss" payable:  $\$59,850 + \$80,000 = \$139,850$ .

### Example No. 2:

(This example also assumes there is no coinsurance penalty).

The Deductible and Limits of Insurance are the same as those in Example No. 1:

"Loss" to Bldg. 1: \$70,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" to Bldg. 2: \$90,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" Payable - Bldg. 1: \$60,000 (Limit of Insurance)

"Loss" Payable - Bldg. 2: \$80,000 (Limit of Insurance)

Total amount of "loss" payable: \$140,000.

## 2. Glass Deductible

When direct "loss" to the building you occupy only involves building glass, the Deductible for that "loss" will be the lesser of:

- a. \$500; or

- b. The Deductible shown in the Declarations for that Covered Property.

## SECTION D. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

### 1. Abandonment

There can be no abandonment of any property to us.

### 2. Appraisal

If we and you disagree on the value of the property, the amount of Net Income and operating expense, or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the amount of Net Income and operating expense, and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we still retain our right to deny the claim.

### 3. Duties in the Event of Loss or Damage

- a. In the event of "loss" to Covered Property, you must see that the following are done in order for coverage to apply:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the "loss". Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the "loss" occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Keep a record of your expenses necessary to protect the Covered Property for consideration in the settlement of the claim. This will not increase your limit of insurance. However, in no event will we pay for any subsequent "loss"

resulting from a cause of loss that is not a Covered Cause of Loss.

- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of "loss" claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.  
  
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis and permit us to make copies from your books and records.
- (7) Submit a signed sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- (9) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

#### 4. **Loss Payment**

- a. In the event of "loss" insured by this Coverage Part, at our option, we will either:
  - (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property;
  - (3) Take all or any part of the property at an agreed or appraised value; or
  - (4) Repair, rebuild or replace the property with other property of like kind and quality.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of **SECTION D. LOSS CONDITIONS, 7. Valuation** or any applicable provision that amends or supercedes this valuation condition.

- b. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property, except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust "losses" with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. Our payment for "loss" to personal property of others and personal effects will only be for the account of the owner of the property.
- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- h. We will pay for insured "loss" within 30 days after we receive the sworn proof of loss if you have complied with all of the terms of this Coverage Part; and
  - (1) We have reached agreement with you on the amount of "loss"; or
  - (2) An appraisal award has been made.
- i. **Loss Payment - Ordinance or Law.**

With respect to **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**:

#### (1) **Loss of Use of Undamaged Parts of Building**

When there is a loss in value of an undamaged portion of a building or structure to which this coverage applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- (a) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is repaired or replaced, on the same "premises" or another

"premises"; we will not pay more than the lesser of:

- 1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same "premises" and to the same height, floor area, style and comparable quality of the original property insured; or
  - 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".
- (b) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:
- 1) The "actual cash value" of the building at the time of "loss"; or
  - 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

## (2) Demolition Costs

Loss payment for Demolition Costs will be determined as follows:

We will not pay more than the lesser of the following:

- (a) The amount you actually spend to demolish and clear the site of the "premises"; or
- (b) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Demolition Costs** for the building that has suffered "loss".

## (3) Increased Costs of Construction

Loss payment for **Increased Costs of Construction** will be determined as follows:

- (a) We will not pay for the increased cost of construction until the property is actually repaired or replaced, at the same "premises" or another location and unless the repairs or replacement are made as soon as reasonably possible after the direct "loss", not to exceed two years. We may extend this period in writing during the two years.
- (b) If the building is repaired or replaced at the same "premises", or if you elect to rebuild at another "premises", the most we will pay for the **Increased cost of construction** is the lesser of:
  - 1) The increased cost of construction at the same "premises"; or
  - 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".
- (c) If the ordinance or law requires relocation to another location the most we will pay for the increased cost of construction is the lesser of:
  - 1) The increased cost of construction at the new location; or
  - 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

## (4) Proportional Payments

If the building or structure sustains both direct "loss" that is covered under this Coverage Part and direct "loss" that is not covered under this Coverage Part; and as a result of the direct "loss" in its entirety you are required to comply with the ordinance or law, we will not pay the full amount of direct "loss" otherwise payable under the terms of **SECTION A. COV-**

**ERAGE, 4. Additional Coverages, g. Ordinance or Law.** Instead, we will pay a proportion of such direct "loss"; meaning the proportion that the covered direct "loss" bears to the total direct "loss".

**j. Loss Determination - Business Income and Extra Expense**

With respect to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense,**

- (1) The amount of "Business Income" and "Rental Value" loss will be determined based on:
  - (a) The Net Income of the business before the direct "loss" occurred;
  - (b) The likely Net Income of the business if no direct "loss" had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
  - (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
  - (d) Other relevant sources of information, including:
    - 1) Your financial records and accounting procedures;
    - 2) Bills, invoices and other vouchers; and
    - 3) Deeds, liens or contracts.
- (2) The amount of Extra Expense will be determined based on:
  - (a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct "loss" had occurred. We will deduct from the total of such expenses:
    - 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

- 2) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- (b) Necessary expenses that reduce the "Business Income" and "Rental Value" loss that otherwise would have been incurred.

**(3) Resumption of Operations**

We will reduce the amount of your:

- (a) "Business Income" and "Rental Value" loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the "premises" or elsewhere.
- (b) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- (4) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**k. Party Walls**

A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the "loss" to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the "loss" to the party wall, subject to all applicable policy provisions all other provisions of this **SECTION D. LOSS CONDITIONS, 4. Loss Payment** including:

- (1) Limit of Insurance shown in the Declarations;
- (2) **SECTION D. LOSS CONDITIONS, 7. Valuation;** and
- (3) **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance.**



Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of **COMMERCIAL PROPERTY CONDITIONS, I. Transfer Of Rights Of Recovery Against Others To Us** in this Coverage Part.

## 5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

## 6. Vacancy

### a. Description of Terms

(1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

(a) When this Coverage Part is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this Coverage Part is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

- 1) Rented to a lessee or sub-lessee and used by them to conduct their customary operations; or
- 2) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

### b. Vacancy Provisions

If the building where direct "loss" occurs has been vacant for more than 60 consecutive days before that "loss", we will:

(1) Not pay for any "loss" caused by any of the following, even if they are Covered Causes of Loss:

- (a) Vandalism;
- (b) Sprinkler leakage, unless you have protected the system against freezing;
- (c) Building glass breakage;
- (d) Water damage;
- (e) Theft; or
- (f) Attempted theft.

(2) Reduce the amount we would otherwise pay for the "loss" by 15% with respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** of this Loss Condition.

## 7. Valuation

We will determine the value of Covered Property in the event of direct "loss" as follows:

- a. At "Actual Cash Value" as of the time of direct "loss", except as provided in **b.**, **c.**, **d.**, and **e.** below.
- b. If the Limit of Insurance for Building satisfies **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety glazing material if required by law.
- e. Tenant's Improvements and Betterments at:

- (1) Replacement Cost of the lost or damaged property if you make repairs promptly.
- (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
  - (a) Multiply the original cost by the number of days from the "loss" or damage to the expiration of the lease; and
  - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
- (3) Nothing if others pay for repairs or replacement.
- (4) For the purposes of valuation, tenants' improvements and betterments are not considered to be the personal property of others.

## SECTION E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

### 1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any "loss" if the value of Covered Property at the time of direct "loss" times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of direct "loss" by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in step (1);
- (3) Multiply to the total amount of "loss", before the application of any deductible, by the figure determined in step (2); and
- (4) Subtract the deductible from the figure determined in step (3).

We will pay the amount determined in step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the "loss" yourself.

#### Example No. 1 (Underinsurance):

The value of the property is: \$250,000  
 The coinsurance percentage is: 80%  
 The Limit of Insurance is: \$100,000  
 The Deductible is: \$250  
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$  (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$100,000 \text{ divided by } \$200,000 = .50$

Step (3):

$\$40,000 \times .50 = \$20,000$

Step (4):

$\$20,000 - \$250 = \$19,750$ .

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

#### Example No. 2 (Adequate Insurance):

The value of the property is: \$250,000  
 The coinsurance percentage is: 80%  
 The Limit of Insurance is: \$200,000  
 The Deductible is: \$250  
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$  (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$200,000 : \$200,000 = 1.00$

Step (3):

$\$40,000 \times 1.00 = \$40,000$

Step (4):

$\$40,000 - \$250 = \$39,750$ .

We will pay no more than \$39,750 "loss" in excess of the Deductible. No penalty applies.

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

**Example No. 3:**

The values of the property are:

Bldg. at Location No. 1: \$75,000  
 Bldg. at Location No. 2: \$100,000

Personal Property at  
 Location No. 2: \$75,000  
 250,000

The coinsurance percentage is: 90%

The Limit of Insurance for  
 Buildings and Personal

Property at Location  
 Nos. 1 and 2 is: \$180,000  
 The Deductible is: \$1,000

The amount of "loss" is:  
 Bldg. at Location No. 2: \$30,000  
 Personal Property at  
 Location No. 2: \$20,000  
\$50,000

Step (1):

$\$250,000 \times 90\% = \$225,000$   
 (the minimum amount of insurance to  
 meet your Coinsurance requirements  
 and to avoid the penalty shown be-  
 low)

Step (2):

$\$180,000 : \$225,000 = .80$

Step (3):

$\$50,000 \times .80 = \$40,000$

Step (4):

$\$40,000 - \$1,000 = \$39,000.$

We will pay no more than \$39,000. The  
 remaining \$11,000 is not covered.

## 2. Mortgage Holders

- a. The term "mortgage holder" includes trustee.
- b. We will pay for covered "loss" to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgage holder will still have the right to receive loss payment if the mortgage holder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

- (2) Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so; and

- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this Coverage Part will then apply directly to the mortgage holder.

- e. If we pay the mortgage holder for any "loss" and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

- (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgage holder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgage holder at least ten days before the expiration date of this policy.

## SECTION F. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

### 1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for direct "loss" to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Limit of Insurance indicated in the most current State-

ment of Values that applies to this Coverage Part.

- b. If the Agreed Value Optional Coverage is deleted from the policy, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage does not apply.
- c. The terms of this Optional Coverage apply only to "loss" that occurs:
  - (1) On or after the effective date of this Optional Coverage; and
  - (2) Before the policy expiration date.
- d. This Agreed Value Optional Coverage does not apply to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

## 2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
  - (1) The Limit of Insurance that applied on the beginning of the current "coverage term" or any other Coverage Part change amending the Limit of Insurance, multiplied by
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), multiplied by
  - (3) The number of days since the beginning of the current "coverage term" or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365. In the event of "loss", this number of days ends at the original date of "loss".

Example:

If: The applicable Limit of Insurance is: \$100,000

The Annual percentage increase is: 8%

The number of days since the beginning of the policy year (or last policy change) is: 146

The amount of increase is  
 $\$100,000 \times .08 \times (146/365) = \$3,200$

## 3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces "Actual Cash Value" in **SECTION D. LOSS CONDITIONS,**

## 7. Valuation of this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM.**

- b. This Optional Coverage does not apply to:
  - (1) Personal Property of others, except leased personal property as described in **SECTION A. COVERAGE, 1. Covered Property, d.(7).** The valuation of such leased personal property will be based on the amount for which you are liable under the lease, but not to exceed the replacement cost of the leased item.
  - (2) Personal effects;
  - (3) Contents of a residence;
  - (4) Manuscripts;
  - (5) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
  - (6) "Stock" unless the Replacement Cost including "Stock" option is shown in the Declarations; or
  - (7) Property, that at the time of "loss":
    - (a) Is outdated, or obsolete and is stored or not being used; or
    - (b) Has no practical value to you.
- c. You may make a claim for "loss" covered by this insurance on an "Actual Cash Value" basis instead of on a replacement cost basis. In the event you elect to have "loss" settled on an "Actual Cash Value" basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the "loss".
- d. We will not pay on a replacement cost basis for any "loss":
  - (1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same purpose as the lost or damaged property; and
  - (2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".
- e. We will not pay more for "loss" on a replacement cost basis than the least of:
  - (1) The Limit of Insurance applicable to the lost or damaged property;

- (2) The cost to replace, on the same "premises", the lost or damaged property with other property:
    - (a) Of comparable material and quality; and
    - (b) Used for the same purpose; or
  - (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.
- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use, or repair of any building or structure except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law.**

## SECTION G. DEFINITIONS

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.
2. "Business Income" means the:
  - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses sustained, including payroll.
3. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
5. "Electronic data" means information, facts or "computer programs" stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.
6. "Finished stock" means stock you have manufactured, except "stock" you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.
7. "Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.
8. "Loss" means accidental physical loss or accidental physical damage.
9. "Money" means:
  - a. Currency, coins and bank notes whether or not in current use; and
  - b. Travelers checks, registered checks and money orders held for sale to the public.
10. "Operations" means:
  - a. Your business activities occurring at the "premises"; and
  - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
11. "Period of restoration" means the period of time that:
  - a. Begins at the time of direct "loss".
  - b. Ends on the earlier of:
    - (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (2) The date when business is resumed at a new permanent location.
  - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
  - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
- d. The expiration date of the policy will not cut short the "period of restoration".
12. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
13. "Premises" means the Locations and Buildings described in the Declarations.
14. "Rental Value" means "Business Income" that consists of :
- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "premises" described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the "premises" which is occupied by you; and
  - b. Continuing normal operating expenses incurred in connection with that "premises", including:
    - (1) Payroll; and
    - (2) The amount of charges, which are the legal obligation of the tenant(s) but would otherwise be your obligations.
15. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
- a. Tokens, tickets, revenue and other stamps whether or not in current use; and
  - b. Evidences of debt issued in connection with credit or charge cards, which are not of your own issue; but does not include "money". Lottery tickets held for sale are not "securities" or evidences of debt.
16. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the Covered Property into subterranean voids created by the action of water on a limestone or similar rock formation. This does not include:
- a. The cost of filling sinkholes;
  - b. Sinking or collapse of land into man-made subterranean cavities; or
  - c. The value of the land.
17. "Specified causes of loss" means fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects; weight of snow, ice or sleet; and water damage.
- a. Falling objects does not include "loss" to:
    - (1) Personal property in the open; or
    - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
  - b. Water damage means:
    - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
    - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "premises" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.
- But water damage does not include "loss" otherwise excluded under the terms of **BUILDING AND BUSINESS PERSONAL PROPERTY, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water**. Therefore, for example, there is no coverage under this Coverage Part in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weath-

er-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Exclusion **(g) Water**, there is no coverage for "loss" caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **17.b.(1)** or **17.b.(2)** of this definition of "Specified causes of loss", such water is not subject to the provisions of Exclusion **(g) Water**.

- 18.** "Stock" means merchandise held in storage or for sale, raw materials and in-process or fin-

ished goods, including supplies used in their packing or shipping.

- 19.** "Suspension" means:

- a.** The slowdown or cessation of your business activities; and
- b.** That a part or all of the "premises" is rendered untenable.

- 20.** "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information.

But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

## **MINE SUBSIDENCE COVERAGE (KENTUCKY)**

In consideration of an additional premium, this policy is extended to insure against direct loss by Mine Subsidence but only with respect to Structures specifically listed in the Schedule or Declarations to which this coverage applies. With respect to Mine Subsidence:

- I. The Property Covered provisions of this policy are replaced by the following:

### **PROPERTY COVERED**

Structure, meaning any building, or fixture permanently affixed to realty, listed in the Schedule or Declarations for Mine Subsidence Coverage, including:

- A. Cost of excavation, grading or fillings;
- B. Foundation of buildings, boilers or engines which are below the undersurface lower basement floor, or where there is no basement, below the surface of the ground;
- C. Underground pilings, piers, flues and drains; and
- D. Pilings which are below the low water mark.

**DEBRIS REMOVAL:** This insurance covers expense incurred in the removal of the debris of the property covered hereunder which may be occasioned by loss by Mine Subsidence. The total amount recoverable under this form for both loss to property and debris removal expense shall not exceed the amount of Mine Subsidence Coverage applying to a described property.

- II. The Property Not Covered provisions of this policy are amended by adding:

- 1. Personal Property.
- 2. Land.

- III. The Deductible provisions of this policy are replaced by the following:

### **DEDUCTIBLE CLAUSE**

The sum of 2% of the Amount of Insurance, but not less than \$250 nor more than \$500, shall be deducted from each loss separately occurring to the Property Covered.

The deductible shall apply separately to each structure.

- IV. The Perils Insured Against Provisions are replaced by the following:

### **PERIL INSURED AGAINST**

This policy insures against direct loss to structures by Mine Subsidence which means collapse of man-made underground coal mines.

However, Mine Subsidence does not include direct loss caused by:

- A. Earthquake or earth movement;
- B. Landslide;
- C. Volcanic eruption; and
- D. Collapse of storm or sewer drains.

- V. If this policy contains an earth movement exclusion, it is replaced by the following:

Earth Movement, including but not limited to earthquake, landslide, mud flow, earth sinking, earth rising or shifting. However, this exclusion does not apply to direct loss caused by Mine Subsidence, as insured against in this policy.

- VI. The Coinsurance Clause and the Extension of Coverage provisions of this policy are deleted.

- VII. The following provisions are added:

### **LIMITATIONS AND LOSS PAYMENTS**

The limit of liability for all direct loss caused by Mine Subsidence to any one structure in any one occurrence shall not exceed the lesser of the following:

- A. \$300,000, or
- B. The amount shown in the Schedule or Declarations for Mine Subsidence Coverage.

There is a maximum Limit of Insurance for additional living expense of \$25,000. This amount is not included in the amount shown for structures. This limit applies to dwelling (residential) risks only.

Loss Payment is limited to the amount available in the Mine Subsidence Insurance Fund to reimburse the Company.

In the event of loss to any structure insured by this form in excess of the deductible amount, the Company shall be liable for no greater portion of such loss than the amount provided by this form shall bear to all Mine Subsidence Coverage, whether collectible or not.



## KENTUCKY MINE SUBSIDENCE WAIVER FORM

### WAIVER OF INSURANCE

I (WE) DO NOT DESIRE MINE SUBSIDENCE INSURANCE COVERAGE AND HEREBY WAIVE ANY RIGHT TO SUCH COVERAGE, UNDER THIS POLICY OR ANY FUTURE POLICY COVERING MY (OUR) INTEREST IN THE PROPERTY DESCRIBED IN THE POLICY (IN THE APPLICATION), UNLESS I (WE) REQUEST MINE SUBSIDENCE COVERAGE, IN WRITING, AT SOME FUTURE DATE.

\*

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Signature of Named Insured(s)

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**CPP 107 57 01**

Policy Number (If Renewed)

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Date signed

\*IF INSURED IS A CORPORATION, HAVE AN OFFICER OF THE CORPORATION SIGN WITH HIS TITLE.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI - CALCULATION OF ADDITIONAL PREMIUM**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY**

- A.** If changes are made to this policy after the beginning of the current policy period, and such changes require an additional premium, the additional premium will be pro rated to recognize the actual period of coverage.
- B. Changes to a Covered Location**
- If changes are made to a location that was covered at the beginning of the current policy period, and those changes require additional premium (e.g., an increase in the limit of insurance), we will calculate the additional premium using the rates and rules which were in effect on the effective date of the current policy period.
- C. Additional Locations**
1. If a location(s) is added to the policy after the beginning of the current policy period, we will calculate the premium for that location(s), including all coverages, options and causes of loss at that location(s), using the rates and rules which are in effect when the location(s) is added.
  2. If changes are subsequently made to a location(s) described in **C.1.** above, and those changes require additional premium, we will calculate the additional premium using the rates and rules which were in effect when the location(s) was added.
- D.** Any additional premium calculated in accordance with this endorsement will be charged in full, whether or not we applied a policywriting minimum premium in developing the premium that was charged at the beginning of the current policy period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ALABAMA CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A.** When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B.** The following exclusion and related provisions are added to Paragraph **B.2. Exclusions** in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:
- 1.** We will not pay for loss or damage arising out of any act committed:
    - a.** By or at the direction of any insured; and
    - b.** With the intent to cause a loss.
  - 2.** However, this exclusion will not apply to deny coverage to an innocent co-insured when the loss or damage is otherwise covered under this policy and is proximately related to and in furtherance of an abusive act by an insured who is a family or household member. Such coverage will be provided only if the innocent co-insured:
    - a.** Provides evidence of the abuse to us, to demonstrate that the loss is abuse-related; and
    - b.** For the act causing the loss, either:
      - (1)** Files a complaint under the Protection From Abuse Act against the abuser, and does not voluntarily dismiss the complaint; or
      - (2)** Seeks a warrant for the abuser's arrest and cooperates in the prosecution of the abuser.
  - 3.** If we pay a claim pursuant to Paragraph **B.2.**, our payment to the innocent co-insured is limited to that insured's legal interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- C.** The following is added to the **Transfer of Rights of Recovery Against Others to Us** Condition:
- If we pay an innocent co-insured for loss arising out of an act of abuse by another insured, the rights of the innocent co-insured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent co-insured may not waive such rights to recover against the abuser.
- D. Legal Action Against Us**
- 1.** The **Legal Action Against Us** Commercial Property Condition is replaced by the following except as provided in paragraphs **D.2.** and **D.3.** below:

No one may bring a legal action against us under this Coverage Part unless:

    - a.** There has been full compliance with all of the terms of this Coverage Part; and
    - b.** The action is brought within the time limitations prescribed by Alabama law.
  - 2.** Paragraph **D.1.** above does not apply to the Legal Action Against Us Condition in Legal Liability Coverage Form **CP 00 40**.
  - 3.** Paragraph **a.** of the **Legal Action Against Us** Condition in the Mortgageholders Errors and Omissions Coverage Form is replaced by the following:
    - a.** No one may bring a legal action against us under Coverages **A** and **B** unless:
      - (1)** There has been full compliance with all of the terms of Coverages **A** and **B**; and
      - (2)** The action is brought within the time limitations prescribed by Alabama law.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**UTAH CHANGES - COMMERCIAL PROPERTY COVERAGE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A. The Concealment, Misrepresentation or Fraud Condition of the **COMMERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:**

**Fraud or Misrepresentation**

This Coverage Part may be voided in the event of fraud or misrepresentation by you relating to:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part,

subject to the following provisions of Utah Code Section 31A-21-105:

- a.** No statement, representation, or warranty made by any person representing us in the negotiation for an individual insurance contract affects our obligations under this Coverage Part unless the statement, representation, or warranty is stated:

- (1) In this Coverage Part; or
- (2) In a written application signed by you.

No person, except you or another person by your written consent, may alter the application, other than for administrative purposes in a way which is clearly not ascribable to you.

- b.** You, your assignee and the loss payee, mortgagee or lienholder, if any, under property insurance, may request, in writing, from us a copy of the application, if:

- (1) This Coverage Part or a copy of the application has not been received; or
- (2) This Coverage Part has been reinstated or renewed without the attachment of a copy of the original application.

If we do not deliver or mail a copy of the application, within 30 days after receipt of the request by us or our

agent, nothing in the application affects our obligations under this Coverage Part to the person making the request.

- c.** Except as provided in **f.** below, no misrepresentation or breach of an affirmative warranty affects our obligations under this Coverage Part unless:

- (1) We rely on it and it is either material or is made with intent to deceive; or
- (2) The fact misrepresented or falsely warranted contributes to the "loss".

- d.** No failure of a condition prior to the "loss", and no breach of a promissory warranty, affects our obligations under this Coverage Part unless it:

- (1) Exists at the time of the "loss"; and
- (2) Either:
  - (a) Increases the risk at the time of the "loss"; or
  - (b) Contributes to the "loss".

However, this Paragraph **d.** does not apply to nonpayment of premium.

- e.** Nondisclosure of information not requested by us is not a defense to an action against us. Failure to correct within a reasonable period of time any representation that becomes incorrect because of changes in circumstances is misrepresentation, not nondisclosure.

- f.** If, after we issue this Coverage Part, we acquire knowledge of sufficient facts to constitute a general defense to all claims under this Coverage Part, the defense is only available if, within 60 days after acquiring such knowledge we notify the insured of our intention to defend against a claim if one should arise. However, in order to continue this Coverage Part, we and the insured may both

agree to endorse it to include specific exceptions or modifications.

For purposes of this Paragraph f., we are to be considered as having acquired knowledge only if the information alleged to give rise to such knowledge was disclosed to us or to our agent in connection with communications or investigations associated with the Coverage Part under which the subject claim arises.

**g. No trivial or transitory:**

- (1) Breach of; or
- (2) Noncompliance with;

any of the above provisions is a basis for avoiding this Coverage Part.

**B. Other Insurance**

Paragraph **G.2. Other Insurance** in the **COMMERCIAL PROPERTY CONDITIONS** is replaced by the following:

If there is other insurance covering the same "loss", other than that described in the paragraph above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance. But we will not pay more than the applicable Limit of Insurance.

**C. Legal Action Against Us**

1. The **Legal Action Against Us** Condition of the **COMMERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

**Legal Action Against Us**

No one may bring legal action against us under this Coverage Part unless the action is brought within 3 years after the date on which the direct physical "loss" occurred.

2. The **Legal Action Against Us** Condition of the **MORTGAGE INTEREST COVERAGE FORM** is deleted in its entirety and replaced by the following:

**Legal Action Against Us**

No one may bring a legal action against us under Coverages **A** and **B** unless the action is brought within 3 years after you discover the error or accidental omission.

**D. The Duties in the Event of Loss (or Damage)** Condition is revised as follows:

1. The provision requiring notice of "loss" (or damage) is replaced by the following:

Give prompt notice of the "loss" (or damage) to us or our agent. Include a description of the property involved.

One means you may use to fulfill this requirement is mailing the notice to us, postage prepaid, through first class mail deposited in a United States Post Office.

2. The provision requiring signed, sworn proof of "loss" is replaced by the following:

Send us a signed, sworn proof of "loss" containing the information we request to settle the claim. We will supply you with the necessary forms.

You must send the proof of "loss" within 60 days after our request. Failure to send the requested proof of "loss" within 60 days does not invalidate your claim, if you show that it was not reasonably possible to do so and also show that you submitted the proof of "loss" to us as soon as reasonably possible.

One means you may use to send the requested proof of "loss" is mailing it to us, postage prepaid, through first class mail deposited in a United States Post Office.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **A. Nuclear Hazard**

Exclusion (1)(d) **Nuclear Hazard** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

##### **(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

#### **B. Electrical Current**

Exclusion (2)(a) **Electrical Current** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

##### **(a) Electrical Current**

Artificially generated electrical or magnetic or energy that damages, disturbs, disrupts or otherwise interferes with any:

- 1) Electrical or electronic wire, device, appliance, system or network; or
- 2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical or magnetic energy includes but is not limited to:

- 1) Electrical current, including arcing;
- 2) Electrical charge produced or conducted by a magnetic field; or
- 3) Pulse.

However, if fire results, we will pay for "loss" caused by that fire.

#### **C. Inventory or Appraisal**

The last paragraph in **SECTION A. COVERAGE, 4. Additional coverages, e. Inventory or Appraisal** is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES - NUCLEAR HAZARD EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

- A.** Exclusion **(1)(d) Nuclear Hazard** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

#### **(1)(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- B.** Exclusion **2.d. Nuclear Hazard** in **SECTION E. EXCLUSIONS** of the **MORTGAGE INTEREST COVERAGE FORM** is deleted in its entirety and replaced by the following:

#### **2.d. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OHIO CHANGES - COMMERCIAL PROPERTY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A.** Paragraphs **c.** and **h.** of the **Loss Payment** Condition are replaced by the following, except as provided in Paragraph **B.**:

- c.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- h.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered "loss" or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and
  - (a) An appraisal award has been made; or
  - (b) We have reached an agreement with you on the amount of "loss" that was in dispute.

- B.** Paragraph **A.** does not apply to the **Loss Payment** Loss Condition in the following forms:

1. Business Income (And Extra Expense) Coverage Form;
2. Business Income (Without Extra Expense) Coverage Form;

3. Extra Expense Coverage Form; and
4. Leasehold Interest Coverage Form; and
5. Mortgage Interest Coverage Form.

In the forms listed above, the **Loss Payment** Loss Condition is replaced by the following:

**LOSS PAYMENT**

- a.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- b.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered "loss" or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and

- (a) An appraisal award has been made; or

- (b) We have reached an agreement with you on the amount of "loss" that was in dispute.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARIZONA CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **A. Additional Coverages**

For exposures located in the state of Arizona, the **Fire Department Service Charge**, Additional Coverage does not apply.

- B. Exclusion (1)(d) Nuclear Hazard** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)** is deleted in its entirety and replaced by the following:

##### **(1)(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- C. Exclusion 2.e. Nuclear Hazard** in **EXCLUSIONS - Coverages A. AND B.** of the **MORTGAGE INTEREST COVERAGE FORM** is deleted in its entirety and replaced by the following:

##### **2.e. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- D. The Concealment, Misrepresentation or Fraud** Condition is replaced by the following:

We will not pay for any "loss" in any case involving misrepresentations, omissions, concealment of facts or incorrect statements:

1. That are fraudulent;
2. That are material either to the acceptance of the risk, or to the hazard assumed by us; and
3. Where, if the true facts had been known to us as required either by the application for the policy or otherwise, we in good faith would either:
  - a. Not have issued the policy;
  - b. Not have issued the policy in as large an amount; or
  - c. Not have provided coverage with respect to the hazard resulting in the "loss".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**NORTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to the STANDARD PROPERTY POLICY **CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** The **Legal Action Against Us** Condition is deleted in its entirety and replaced by the following:

**Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within three years after the date on which the direct physical "loss" occurred.

**C.** Paragraphs **d.** and **e.** of the **Replacement Cost** Optional Coverage are deleted in their entirety and replaced by the following:

**d.** We will not pay on a replacement cost basis for any "loss":

(1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same purpose as the lost or damaged property:

- (a) On the described "premises"; or
- (b) At some other location in the State of North Carolina; and

(2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".

**e.** We will not pay more for "loss" on a replacement cost basis than the least of:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace the lost or damaged property with other property;
  - (a) Of comparable material and quality; and

(b) Used for the same purpose; or

(3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

The above provisions, **d.** and **e.**, do not apply to the Standard Property Policy **CP 00 99**.

**D.** The **Appraisal Loss Condition** is deleted in its entirety and replaced by the following:

**Appraisal**

If we and you disagree on the value of the property, the amount of Net Income and operating expense, or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. You and we must notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If the appraisers do not agree on the selection of an umpire within 15 days, they must request selection of an umpire by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the amount of Net Income and operating expense, and the amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be the appraised value of the property, the amount of Net Income and operating expense, and the amount of "loss".

Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we still retain our right to deny the claim.

**E.** Exclusion (1)(d) **Nuclear Hazard** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)** is deleted in its entirety and replaced by the following:

**(1)(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- F. Exclusion **2.e. Nuclear Hazard** in **EXCLUSIONS - COVERAGES A. AND B.** of the **MORTGAGE INTEREST COVERAGE FORM** is deleted in its entirety and replaced by the following:

**2.e. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- G. The following condition is added:

**Time Period for Performance of Contractual Obligations**

Whenever a state of disaster is proclaimed for the state of North Carolina or for an area within this state in accordance with state law, or whenever a major disaster is declared for North Carolina or an area within this state by the President of the United States under the Stafford Act or its successors, the following provisions apply:

1. If the Covered Property that has sustained "loss" is located within the geographic area designated in the disaster declaration or proclamation, the time period for your submission of a proof of loss (as set forth in the Duties in the Event of Loss or Dam-

age Condition or similar provision in this Coverage Part or in an endorsement attached to this Coverage Part) shall be extended by a time period not exceeding the earlier of:

- a. The expiration of the disaster proclamation or declaration and all renewals of the proclamation; or
- b. The expiration of the Insurance Commissioner's order declaring action for the specific disaster, as determined by the Insurance Commissioner.

2. Except as otherwise provided in Paragraph 1., the following applies if you or we reside in or are located in the geographic area designated in the disaster declaration or proclamation:

If this Coverage Part or an endorsement attached to this Coverage Part imposes a time limitation on you or us for a performance of:

- a. A premium or debt payment; or
- b. Any other duty or any act (including transmittal of information),

under the terms of this Coverage Part and such performance would be required during the time period prior to the expiration of the Insurance Commissioner's order declaring action for the specific disaster, as determined by the Insurance Commissioner, your performance and our performance is subject to a deferral period of 30 days. The Commissioner of Insurance may extend such deferral period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**KANSAS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A. In **COMMERCIAL PROPERTY CONDITIONS; D. Legal Action Against Us** is deleted in its entirety and replaced by the following:

**LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 5 years after the date on which the direct physical "loss" occurred.

- B. The following applies when coverage is provided for townhouse buildings and structures:

1. The following is added:

The Association of Townhouse Owners includes every person or organization who is an owner of a fee simple title to a townhouse unit, for which insurance is provided by this policy.

2. In **COMMERCIAL PROPERTY CONDITIONS; B. Control of Property** is deleted in its entirety and replaced by the following:

The following will not affect this insurance if beyond your direction or control:

- a. Any act or neglect by any occupants or owners of the buildings; or
- b. Your failure to comply with any warranty or condition with regard to any portion of your premises.

If you violate a condition of this Coverage Part, we will not pay for "loss" at the involved location. But your coverage will continue for other locations at which the violation does not apply.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM SECTION A. COVERAGE 2., Property Not Covered**, is amended to include the following:

Household and personal property, unless owned by the Association of Townhouse Owners.

4. **BUILDING AND PERSONAL PROPERTY FORM, Section E. Additional Conditions, 2. Mortgage Holders**, Paragraph **b.** is deleted in its entirety and replaced by the following:

2. We will pay for covered "loss" to buildings or structures to:

- (1) The Insurance Trustee for the benefit of each Townhouse Owner;
- (2) The holder of each first mortgage; and
- (3) The Association;

as interests may appear and as shown in the Townhouse Declaration.

- C. The **Appraisal Loss Condition** is replaced by the following:

If, after a claim has been made, a dispute arises because we and you disagree on the value of the property or the amount of "loss", either may make a written request for an appraisal of the "loss". **However, an appraisal will be made only if both, we and you agree, voluntarily, to have the "loss" appraised.** If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. **A decision agreed to by any two will be binding.** Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expense of the appraisal and umpire equally.

If there is an appraisal, we will retain our right to deny the claim.

- D. The following is added:

The term "Actual Cash Value" means the amount it would cost to repair or replace Covered Property with material of like kind and quality, less allowance for deterioration and depreciation, including obsolescence.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - RIGHTS OF RECOVERY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

- A.** Unless Section **B.** of this endorsement applies, **COMMERCIAL PROPERTY CONDITIONS, I. Transfer of Rights of Recovery Against Others to Us** is deleted in its entirety and replaced by the following:

#### **Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a "loss" to your Covered Property or Covered Income.
2. After a "loss" to your Covered Property or Covered Income only if, at time of "loss", that party is one of the following:
  - a. Someone insured by this insurance;
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you; or
  - c. Your tenant.

This will not restrict your insurance.

- B.** In **MORTGAGE INTEREST COVERAGE FORM, SECTION K. CONDITIONS APPLICABLE TO ALL COVERAGES, 6. Transfer of Rights of Recovery Against Others to Us** is deleted in its entirety and replaced by the following:

#### **Transfer of Rights of Recovery Against Others to Us**

- a. Under **COVERAGES A and B**, if any person or organization to or for whom we make payment under this Coverage Part

has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after "loss" to impair them. But you may waive your rights against another party in writing:

- (1) Prior to a "loss" to your Covered Property.
- (2) After a "loss" to your Covered Property only if, at time of "loss", that party is one of the following:
  - (a) Someone insured by this insurance;
  - (b) A business firm:
    - 1) Owned or controlled by you; or
    - 2) That owns or controls you; or
  - (c) Your tenant.

This will not restrict your insurance.

- b. Under **COVERAGES C and D**, if you have rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. Our right to recover damages may be enforced even if you have not been fully compensated for damages.

You must do nothing after "loss" to impair our rights to recover all or part of any payment we have made under this Coverage Part. At our request, you will bring "suit" or transfer those rights to us and help us enforce them.

## NOTICE TO POLICYHOLDERS

### COMMERCIAL PROPERTY COVERAGE PART

### DESCRIPTION OF REVISIONS EDITION 05 16

This is a summary of the major changes in your Commercial Property Coverage Forms. NO COVERAGE IS PROVIDED BY THIS SUMMARY nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

The areas within the policy that broaden, reduce or clarify coverage are indicated below. The material is organized by individual coverage forms; however, not all coverage forms are included in a particular policy.

#### **AMENDMENTS TO COMMERCIAL PROPERTY COVERAGE FORM FM 101:**

Below is a description of amendments to our **FM 101** coverage form, which is our base form for Building and Personal Property coverage. Our **FM 101** is being revised to become more up-to-date with ISO's Commercial Property forms and endorsements. With our revised **FM 101** coverage form and our corresponding commercial property forms and endorsements we are incorporating many of ISO's Countrywide Commercial Property form changes, having edition dates 06 07 and 10 12.

#### **Editorial Changes Only:**

Many of the form revisions are editorial in nature. Examples of editorial changes made in our revised forms include the following:

Items in a form may be re-numbered or re-lettered if such referenced item number or letter changed within the **FM 101** form.

Direct physical "loss" is now described simply as direct "loss", thereby dropping the unneeded word *physical*.

Quotation marks have been removed from the word "loss" in many cases where *loss* is not being used as a defined term. In **FM 101** "loss" is defined as "accidental physical loss or accidental physical damage". Expenses incurred due to physical damage are not themselves physical damage, loss payments for business income or extra expense due to "loss" are not payments for physical damage itself. In our forms we have clarified that loss has a broader sense than "loss" when used as a defined term.

Extra Expense is no longer a defined term and the quotation marks for it are removed in all of our forms.

Defined words and terms are no longer in bold type (unless they are part of a heading).

The phrase, "For the purposes of this endorsement only," is inserted as a lead-in for many items listed in our endorsements, for clarification.

In paragraphs indicating that a loss will be paid, the phrase, "in any one occurrence", has been moved to be in front of the payment limits, for emphasis, rather than having the phrase at the end of the sentence.

#### **Building and Personal Property Coverage Form (Including Special Causes of Loss) - FM 101 05 16**

##### **Section A. COVERAGE, 1. Covered Property, d. Business Personal Property**

- Business Personal Property is expanded to include property in buildings or structures. (Broadening)
- Business Personal Property "in the open", or "in a vehicle" does not expressly handle situations in which business personal property is located outside of the covered building, but still on premises in a storage unit. Coverage is extended to Business Personal Property in a portable storage unit, more like a POD. The base sublimit, which can be increased, will be \$10,000.

We will use our 1,000 feet coverage boundary for Business Personal Property outside a building. (Broadening)

- For tenants in multi-story buildings it makes a difference whether coverage applies outside the building or outside their premises. Language is added that the greater of those distances applies. (Broadening)

##### **SECTION A. COVERAGE, 2. Property Not Covered**

##### **e. Electronic Data:**

- Electronic data which is integrated into building systems for lighting, elevators, heating, ventilation, A/C, or security is considered part of the

coverage on the building and is not subject to Electronic Data exclusion. (Broadening)

#### **h. Land, Water or Growing Crops:**

- Lawns that are part of a vegetative roof are considered covered property. (Broadening)

### **SECTION A. COVERAGE, 3.a. Covered Causes of Loss**

As ISO has done in reaction to court decisions, we are deleting the word "Risks" from the preamble to the Covered Causes of Loss section of **FM 101**. Item **3.a.** is changed from "Risks of Direct Physical Loss" to "Covered Causes of Loss". (Clarification)

### **SECTION A. COVERAGE, 3.b. Exclusions, (1)**

#### **(a) Ordinance or Law:**

- Exclusion is clarified to exclude loss due to compliance with local ordinances. (Clarification)

#### **(b) Earth Movement:**

- Clarifies Earthquake includes tremors and aftershocks. (Clarification)
- Clarifies man-made causes (excavating, hydro fracking) are excluded as well as naturally caused earthquakes. (Clarification)
- Removes exception to earthquake exclusion for office equipment, Accounts Receivable, Valuable Papers and Records, and Transportation. (Reduction)

#### **(e) Utility Services:**

- Clarifies that owned equipment on the customer's premises is still considered as part of the utility service and excluded. An example of such equipment would be a transformer (property of utility) on the insured's premises. (Clarification)
- Removes the special Business Income exclusion for utility service outside building. (Clarification)

#### **(g) Water:**

- Incorporates ISO's **CP 10 32** endorsement wording (drafted to address post-Katrina issues) into our water exclusion. Clarifies that we exclude storm surge and includes examples of excluded events. (Clarification)
- Definition of flood added that matches our Flood Coverage Endorsement **FA 104**. (Clarification)

- Removes exception to water exclusion for office equipment, Accounts Receivable, Valuable Papers and Records, and Transportation. (Reduction)
- Flood exclusion language matches our Flood **FA 104** coverage buyback. (Clarification)
- Exclusion reorganized to make waterborne material its own paragraph. (Clarification)

### **SECTION A. COVERAGE, 3.b. Exclusions, (2)**

#### **(a) Electrical Current:**

- Updates the exclusion language to match the endorsement buyback with current technology about power sources and associated systems, specifically with respect to power surges. (Broadening)

#### **(h) Dishonest or Criminal Acts:**

- Paragraph title is amended from "Dishonest Acts" to "Dishonest or Criminal Acts". (Clarification)
- The exclusion applies in full for dishonest or criminal acts, including theft, for those who have a role in the insured's business (partners, managers, directors, trustees, employees, authorized representatives). But for people who are entrusted with the insured's property (a category that would include tenants and bailees), only theft is excluded. (Broadening)
- The exception to the exclusion that covers acts of destruction by employees now includes authorized representatives. (Broadening)

#### **(i) Voluntary Parting Under False Pretense:**

- Paragraph title is amended from "False Pretense" to "Voluntary Parting Under False Pretense". (Clarification)

#### **(k) Collapse:**

- Clarifies policy intent that an insured event of collapse must be abrupt. (Clarification)
- Reformats language to track with Collapse coverage extension. (Clarification)

#### **(m) Loss or Damage to Product:**

- Renames the "Work Process" exclusion to be "Loss or Damage to Product". Clarifies policy intent that only the property being processed at time of loss is excluded. Loss caused by

that damaged Business Personal Property is covered. The exclusion is worded more like E&O. (Broadening)

#### **SECTION A. COVERAGE, 3.b. Exclusions, (4)**

##### **Special Exclusions - Utility Service Business Income Exclusions:**

- Item (a) on the prior **FM 101** form, special Business Income limitation, is now deleted. Direct and indirect exclusions are both worded such that any component of the utility delivery system, even if on the insured premises, is considered part of the utility service. (Clarification)

#### **SECTION A. COVERAGE, 3.c. Limitations, (1)**

##### **(f) Gutters and Downspouts:**

- This limitation for loss caused by weight of ice, snow or sleet has been removed. With the Gutters and Downspouts limitation removed, Transferred Property becomes Item (f) instead of Item (g). (Broadening)

##### **(g) Vegetative Roofs:**

- Vegetative roofs are considered as part of the building. Coverage is added for vegetative roofs which was previously Property Not Covered. (Broadening)

#### **SECTION A. COVERAGE, 3.c. Limitations, (4)**

##### **Limitation - System or Appliance Defects:**

Relocated the second paragraph in our prior **FM 101** form for Coverage Extension **s. Water, Other Liquids, Powder or Molten Material Damage** to this new item under Limitations to more clearly indicate that we exclude any loss to the substance that escapes the system. (Clarification)

#### **SECTION A. COVERAGE, 4. Additional Coverages**

- b. Debris Removal:** Coverage is broadened to include debris of others on the insured's premises as long as such debris is Covered Property on the policy and is a result of a Covered Cause of Loss. (Broadening)
- c. Fire Department Service Charge:** Clarifies our limit is the most we pay regardless of the number of fire departments that respond or services they provide. (Clarification)
- f. Key and Lock Expense:** Coverage is broadened to include a master key. (Broadening)
- g. Ordinance or Law:** Language is amended to include "compliance" with the required ordinance or law that deals with rebuilding after a loss. (Clarification)

#### **SECTION A. COVERAGE, 5. Coverage Extensions**

We have amended the opening phrase for coverages identified within the Coverage Extensions portion of the **FM 101**, to indicate "We will pay for direct "loss".....". This replaces the previous beginning phrase in most Coverage Extensions, "You may extend the insurance provided by this Coverage Part to apply to "loss" .....". We have changed the opening phrase for clarification because our intent is to apply the **FM 101** base form Covered Causes of Loss to Covered Property, not to indicate that any coverage provided anywhere in Division 5 applies to the Coverage Extensions. (Clarification)

##### **b. Business Income and Extra Expense:**

###### **(1) Business Income:**

- Coverage is expanded to apply to property that is outside a covered building in a portable storage unit. (Broadening)
- Coverage for property within 1,000 feet of a building is expanded to include property within 1,000 feet of the premises. (Broadening)
- This same feature applies if our insured is the tenant for personal property in the open or in a portable storage unit. (Broadening)

###### **Previous (3) Tenant Premises:**

**A.5. Coverage Extensions, b. Business Income and Extra Expense, (3) Tenant Premises**, explaining that the "premises" is the portion of the building the tenant rents, leases or occupies, including personal property in the open within 1,000 feet, is removed because it is now incorporated in the revised Business Income Coverage Forms **FA 212**, **FA 213** and **FA 216**. All subsequent items under Extension **b.** are renumbered accordingly. (Clarification)

- (3) Civil Authority:** This Item (3) was previously Item (4). The intent of this coverage involves damage to a neighboring premises. We incorporated ISO's civil authority wording in ISO's Business Income Forms to clarify coverage intent, which was necessitated by post-911 security protocols. ISO's Business Income Forms now require that the damaged premises must be within one mile of the insured premises in order to qualify for Civil Authority coverage. However, we are less restrictive than ISO because we do not include ISO's one



mile restriction for Civil Authority coverage in our **FM 101**. Our Business Income coverage will apply for up to 30 days from the date of civil authority action, and our Extra Expense coverage will end 30 days after the time of action or when Business Income coverage ends, whichever is later. (Broadening)

- (5) **Newly Purchased or Leased Locations:** This Item (5) was previously Item (6). The word "acquired" has been deleted and the phrase "purchased or leased" has been added. This language tracks with the direct damage coverage extension for such property. (Clarification)

**c. Collapse:**

- The Collapse exclusion clarifies collapse must be abrupt. Further clarification is added to this Collapse coverage extension to explain what is not collapse. Even if the building shows signs it might collapse or is in the process of cracking or bulging, coverage does not apply. (Clarification)

**d. Electronic Data:**

- Since electronic data integrated into building systems is considered part of the building, it is not considered here as a coverage extension. (Broadening)

**e. Exhibitions, Fairs or Trade Shows:**

- Added "trade shows" to title of coverage since this is more contemporary language and gives broader coverage than before. (Broadening)

**g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage:**

- Item **g.(7)** clarifies that vegetative roofs do not get this coverage extension. (Clarification)

**i. Newly Purchased, Leased or Constructed Property:**

- The phrase "acquired or constructed" has been replaced with the phrase "purchased, leased or constructed" to more clearly state our coverage intent and not provide coverage for short term storage situations. (Clarification)

**j. Nonowned Building Damage:**

- Language is clarified to apply to the building the tenant occupies if the lease makes the tenant legally liable for direct losses. We will pay for direct loss to the building caused by

burglary, robbery, theft or attempted theft. This extension does not apply if the lease requires the tenant to insure the building. (Clarification)

**k. Outdoor Property:**

- The Debris Removal Additional Coverage is broadened to include removal of similar property of others that is now on the insured's premises. The same extension has been granted here since debris removal of trees, plants and shrubs is contained within this coverage extension. (Broadening)

**q. Utility Services:**

- Wastewater/Sewage treatment facilities are added as a utility service for Business Income only. However, coverage does not apply if the wastewater removal facility is overwhelmed itself with heavy rainfall or flooding. That falls under any Flood coverage, not Utility Services. (Broadening)
- Communication Supply Property now includes service relating to Internet access or access to electronic, cellular, or satellite networks. (Broadening)
- While the Utility Services exclusions are concerned with whether the Utility Service is on or off premises, the coverage extension focuses on the source of the utility failure. (Broadening)
- The "Overhead Transmission and Distribution Lines" reference has been broadened to apply to overhead lines of any type. (Broadening)

**s. Water Damage, Other Liquids, Powder or Molten Material Damage:**

- The word "Damage" has been added to title to distinguish it from water exclusion. (Clarification)

**SECTION D. LOSS CONDITIONS, 4. Loss Payment**

**i. Loss Payment - Ordinance or Law:**

- This section has been formatted to track more closely with the separate Ordinance or Law Coverage Forms. (Clarification)

**k. Party Walls:**

- A definition of party walls is added and Loss Payment provisions are introduced for claims involving building loss that affects multiple tenants. Under this insurance, loss payment re-

lating to a party wall reflects the insured's partial interest in that wall. However, if the owner of the adjoining building elects not to repair or replace that building (and the building insured under this insurance is being repaired or replaced), this insurance will pay the full value of the party wall subject to all other applicable policy provisions. (Broadening)

#### **SECTION D. LOSS CONDITIONS, 7. Valuation**

Tenant's Improvements and Betterments has been broadened to replacement cost instead of actual cash value. (Broadening)

#### **SECTION F. OPTIONAL COVERAGES**

##### **1. Agreed Value:**

- Language is amended to compare the Limit of Insurance indicated in the Commercial Property Declarations to the Limit of Insurance indicated in the latest Statement of Values on file with our Company. (Clarification)

##### **2. Inflation Guard:**

- Clarifies that coverage starts at the beginning of the current "coverage term" or the effective date of the most recent policy change. The number of days referenced in the policy language ends at the original date of loss. (Clarification)

#### **SECTION G. DEFINITIONS**

6. Definition of "Extra Expense" in our prior **FM 101** form is removed as a defined term. The Extra Expense explanation is moved into the Business Income coverage agreement. All subsequent definitions are renumbered. (Clarification)
8. Definition of "Loss" is amended to indicate "accidental physical loss or accidental physical damage". This avoids stating this throughout the **FM 101**. (Clarification)
12. Definition of "Pollutants" is amended to add Asbestos and Petroleum Products so it tracks with our General Liability and Auto definitions. (Clarification)
13. Definition of "Premises" is amended to now track with how we indicate Covered Locations by referencing a Location - Building Number. (Clarification)
17. Definition of "Specified causes of loss" is amended to further explain the meaning of water damage. Coverage for water damage is expanded to include accidental discharge or leakage of water or water-borne material as the direct result of the breaking apart or cracking of certain off-

premises systems due to wear and tear. (Broadening)

#### **COMMERCIAL PROPERTY FORMS & ENDORSEMENTS (NOT SPECIAL PROGRAMS):**

Below are Commercial Property forms and endorsements, other than our Special Program endorsements, that are amended to reflect changes in our revised **FM 101**. Since **FM 101** is our base form for Building and Personal Property coverage, each commercial property form or endorsement has incorporated all **FM 101** wording changes that apply.

##### **Business Personal Property Extension of Coverage Endorsement - FM 201 05 16**

Adds **FM 101** language for Trade Shows, to now indicate "Exhibitions, Fairs or Trade Shows". (Broadening)

##### **Mortgage Interest Coverage Form - FA 102 05 16**

Title is changed from "Mortgage Holder's Insurance Coverage Form" to "Mortgage Interest Coverage Form". This form incorporates all **FM 101** changes that apply to this endorsement. (Broadening)

##### **Flood Coverage Endorsement - FA 104 05 16**

Our endorsement is worded to buy back the Flood coverage in our **FM 101** Water exclusion. It incorporates ISO's **CP 10 65** Flood Coverage wording. (Clarification)

##### **Temperature Change Loss Form - FA 202 05 16**

Indicates that mechanical breakdown includes mechanical failure of the refrigerating, cooling, or humidity control apparatus. (Broadening)

##### **Business Income (Without Extra Expense) Coverage Form - FA 212 05 16**

##### **Business Income (And Extra Expense) Coverage Form - FA 213 05 16**

##### **Extra Expense Coverage Form - FA 216 05 16**

##### **• Civil Authority**

We incorporated ISO's civil authority wording in ISO's Business Income Forms to clarify coverage intent. ISO's Business Income Forms require that there be physical damage and that the damaged premise must be within one mile of the insured premises in order to qualify for Business Income Civil Authority coverage. However, we will not impose the one mile radius in the base **FM 101**, even though the intent of the coverage involves damage to a neighboring premise. (Broadening)

##### **• Ingress/Egress**

This is a new Additional Coverage added to our Business Income Forms at no extra cost. Coverage will apply within the Business In-

come limit and is not additional insurance. Coverage will apply for 30 consecutive days after the direct physical loss to the contiguous premises. This coverage is not part of the Business Income within the **FM 101**. (Broadening)

- **Newly Purchased or Leased Locations**

For covered property the phrase "acquired locations" has been replaced by the phrase "newly purchased or leased locations", and coverage may also include a building the insured must insure as required by a written contract. (Clarification)

- **Agreed Value Option**

If Agreed Value Optional Coverage applies, a Business Income Worksheet does not need to be considered a part of the policy, but still must be on file with the Company. (Broadening) (Not Applicable to **FA 216**)

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems Endorsement - FA 223 05 16**

- Clarifies roof drains are covered by this endorsement. (Clarification)
- Adds language to clarify we do not pay to repair or replace a failed pump. (Clarification)
- Clarifies that coverage is determined by the proximate cause of the sewer backup (e.g., flood, Equipment Breakdown Coverage, Utility Services becomes primary). (Clarification)

**Ordinance or Law Coverage - FA 231 05 16**

**Building Laws Safeguard Coverage - FA 441 05 16**

**Business Income Changes - Educational Institutions - FA 462 05 16**

**Ordinance or Law - Increased Period of Restoration - FA 463 05 16**

**Functional Building Valuation - FA 488 05 16**

Incorporates language as described in **FM 101** Additional Coverage Ordinance or Law. For Ordinance or Law coverage the reference to enforcement of an ordinance or law is changed to include reference to a requirement to comply with an ordinance or law. (Broadening)

**Printers Optional Coverage - FA 235 05 16**

Adds expanded **FA 223** language for Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems. See **FA 223** summary for details. (Broadening)

**CinciPlus® Commercial Property XC® (Expanded Coverage) Endorsement - FA 237 05 16**

**CinciPlus® Commercial Property XC+® (Expanded Coverage Plus) Endorsement - FA 250 05 16**

**CinciPlus® Commercial Property Power XC® (Expanded Coverage) Endorsement - FA 257 05 16**

**CinciPlus® Commercial Property Power XC+® (Expanded Coverage Plus) Endorsement - FA 258 05 16**

- **Ordinance or Law Coverage** - Formatting is amended to follow the reformatting of the **FM 101** Ordinance or Law Coverage. (Clarification)
- **Sewer Backup** - Adds expanded **FA 223** language for Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems. See **FA 223** summary for details. (Clarification)
- **Fire Department Service Charge** - Clarifies our coverage limit applies in total regardless of how many fire departments respond or what type of services they provide. (Clarification)
- Adds **FM 101** wording changes for Business Income and Extra Expense, Ordinance or Law, and Utility Services. (Broadening)
- **Fine Arts** - Deletes coverage for Earthquake and Water to correspond with our **FM 101** exclusions. The exception to the Earth Movement and Water exclusions no longer applies to Fine Arts. (Reduction)

**Printers Personal Property Coverage Endorsement - FA 238 05 16**

Adds **FM 101** wording changes for Dishonest or Criminal Acts (previously Dishonest Acts), Collapse, Loss or Damage to Product (previously Work Process) exclusions. (Clarification)

**Earthquake and Volcanic Eruption Endorsement - FA 240 05 16**

**Earthquake and Volcanic Eruption Endorsement - (Sublimit Form) - FA 241 05 16**

- Definition of Earthquake is expanded to include tremors and aftershocks. (Broadening)
- If sprinkler leakage is the only loss from Earthquake that we are covering, then the Fire deductible applies instead of Earthquake deductible. (Broadening)
- We editorially changed "Sub-limit" to "Sublimit" in the title and text of endorsement **FA 241**. (Clarification).

**Religious Institutions Property Coverage Endorsement - FA 243 05 16**

Incorporates all **FM 101** wording changes that apply to this endorsement. Amends the definition of "Specified causes of loss" to clarify the meaning of water damage. (Clarification)

**Manufacturers' Additional Coverage - FA 260 05 16**

Incorporates all **FM 101** editorial changes that apply to this endorsement. (Clarification)

**Manufacturers' Optional Coverage - FA 261 05 16**

Adds expanded coverage found in the Electrical Apparatus endorsement (**FA 473**). (Broadening)

**Pollutant Clean Up and Removal - Additional Aggregate Limit of Insurance - FA 291 05 16**

This coverage requires a specific limit of insurance. Limits may be increased over the **FM 101** base limit of \$10,000. Previously we used ISO's Pollutant Clean Up endorsement **CP 04 07** and we have now introduced our own endorsement for the same purposes. (Clarification)

**Business Personal Property Limited International Coverage - FA 4014 05 16**

- Broadens coverage to track with ISO to include en-route to and from the temporary foreign location. Includes while airborne or waterborne. (Broadening)
- Clarifies that coverage is void if travel is in a country subject to United States economic or trade sanctions. (Clarification)

**Business Income - Civil Authority Increased Coverage Period - FA 4016 05 16**

- Our current endorsement is re-titled to add "Business Income" to reflect that it applies to Business Income coverages. (Clarification)
- Allows the 30 consecutive days coverage period to be increased. (Broadening)

**Limitation on Loss Settlement - Margin Clause - FA 4043 05 16**

- Our current endorsement is re-titled from "Margin Clause" to reflect this is a "Limitation on Loss Settlement" endorsement. (Clarification)
- Language is added to clarify when margin clause does and does not apply. Under this endorsement, loss payment on an individual property under the blanket is limited to its stated value plus a percentage of that value as shown in the Schedule. The margin does not increase the blanket Limit of Insurance. (Clarification)
- Examples are added to illustrate how the margin clause works. (Clarification)

**Named Storm Percentage Deductible - FA 4061 05 16**

- Calculation of the Deductible clarifies that if loss occurs to a building and the business personal property inside, that the deductible applies separately to each. This endorsement is available only in select states. (Clarification)

**Condominium Association Property Coverage Enhancement - FA 4076 05 16****Condominium Commercial Unit-Owners Property Coverage Enhancement - FA 4077 05 16**

Adds **FM 101** Business Personal Property changes to cover Business Personal Property in a portable storage unit. (Broadening)

**Windstorm or Hail Dollar Deductible - FA 4144 05 16****Windstorm or Hail Dollar Deductible Subject to Aggregate Deductible - FA 4145 05 16**

- The Windstorm or Hail Deductible is clarified by deleting language concerning concurrent or sequential causes of loss that occur along with the windstorm. (Clarification)
- Language is added that the deductible only applies once to all covered property at each premises shown in the endorsement schedule. (Broadening)

**Newly Purchased, Leased or Constructed Property - Increased Limit - FA 442 05 16**

The title and text of the endorsement is changed to reflect **FM 101** wording. The phrase "newly acquired or constructed" is replaced by the phrase "newly purchased, leased or constructed". (Clarification)

**Funeral Directors Coverage Enhancement - FA 448 05 16**

- Adds expanded **FA 223** language for Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems. See **FA 223** summary for details. (Broadening)
- Provides water damage coverage for jewelry and furs. (Broadening)

**Commercial Property Conditions - FA 450 05 16**

Definition of loss is deleted since this definition is now part of **FM 101**. (Clarification)

**Utility Services - Time Element - FA 460 05 16****Utility Services - Direct Damage - FA 472 05 16**

- These separate endorsements contain the same coverage changes as detailed in the **FM 101** Utility Services coverage extension. "Service lines" is added to the definition. Exclusion is now referred to as "overhead lines of any type." (Broadening)
- Language stipulating whether the Utility Services equipment is on or off premises has been deleted and the focus is placed on the origin of the utility service. So a transformer on the insured's premises is clearly still part of the Utility system. (Clarification)

**Extra Expense From Dependent Properties - FA 461 05 16****Business Income From Dependent Properties - Limited Form - FA 466 05 16****Business Income From Dependent Properties - Broad Form - FA 467 05 16**

- We have clarified that all dependent locations must be located within the coverage territory. (Broadening)
- Wastewater services is added to the eligible list of dependent properties. (Broadening)
- Miscellaneous Locations description is expanded to make it explicit that highways and other transportation conduits are not considered to be miscellaneous locations. (Clarification)

**Outdoor Trees, Shrubs and Plants - FA 470 05 16**

Clarifies that coverage does not apply to trees, shrubs or plants that are part of a vegetative roof. Vegetative roofs are considered part of the building and therefore not considered Outdoor Property. (Clarification)

**Debris Removal - Scheduled Additional Limits of Insurance - FA 471 05 16**

This coverage requires a specific limit of insurance. Limits may be increased over the \$10,000 **FM 101** base excess limit for debris removal. (Broadening)

**Electrical Apparatus - FA 473 05 16**

Adds verbiage clarifying what is meant by electrical, magnetic or electromagnetic energy. (Clarification)

**Windstorm or Hail Percentage Deductible - FA 474 05 16**

- The Windstorm or Hail Deductible is clarified by deleting language concerning concurrent or sequential causes of loss that occur along with the windstorm. (Clarification)
- Calculation of the Deductible clarifies that if loss occurs to a building and the business personal property inside, that the deductible applies separately to each. (Clarification)

**SPECIAL PROGRAM ENDORSEMENTS:**

We have Special Programs which focus on market specialization by providing commercial products for specific market segments. Below are our Special Program endorsements that are amended to reflect changes in our revised **FM 101**. Since **FM 101** is our base form for Building and Personal Property coverage, each Special Program endorsement has incorporated all **FM 101** wording changes that apply.

**Home Health Care Commercial Property Endorsement - FA 262 05 16**

- The form title is changed from "CinciPlus® Home Health Care Property Endorsement" to "Home Health Care Commercial Property Endorsement". (Clarification)
- Coverage Extension Mobile Medical Equipment is amended from "mobile" to show as "portable". (Clarification)
- Coverage Extension Money and Securities - Resident or Client indicates the most we will pay in any one occurrence is \$500, subject to an aggregate of \$5,000 in any "coverage term", and this is not changing. But the endorsement Schedule is clarified by adding the \$5,000 in any "coverage term" Limit for Money and Securities. (Clarification)
- The term "exhibitions or trade shows" is updated to "exhibitions, fairs or trade shows" since it is more contemporary language. (Broadening)

**Synthetic Turf, Field or Track Endorsement - FA 280 05 16**

In Item **B**, indicating that a loss will be paid, the phrase, "in any one occurrence", has been moved to be in front of the Limit of Insurance, for emphasis, rather than having the phrase at the end of the sentence. This is an editorial change only. (Clarification)

**Water Utilities Commercial Property Endorsement - FA 263 05 16****Manufacturers' Commercial Property Endorsement - FA 267 05 16****Hotel Commercial Property Endorsement - FA 268 05 16****Fitness & Recreation Expanded Commercial Property Endorsement - FA 271 05 16****Craft Beverage Commercial Property Endorsement - FA 272 05 16****Medical Facility Commercial Property Endorsement - FA 4134 05 16**

- The **FM 101, A.5. Coverage Extensions, j. Nonowned Building Damage** has revised language which is incorporated into each endorsement having Nonowned Building Damage coverage. Language is clarified to apply to the building the tenant occupies if the lease makes the tenant legally liable for direct losses. We will pay for direct loss to the building caused by burglary, robbery, theft or attempted theft. This extension does not apply if the lease requires the tenant to insure the building. (Clarification)
- **FA 267** only: The endorsement has a Table of Contents added at the beginning to list each section and its corresponding page number. (Clarification)

**Medical Facility Commercial Property Endorsement - FA 4134 05 16**

- Coverage Extension Mobile Medical Equipment is amended from "mobile" to show as "portable". (Clarification)

**Water Utilities Commercial Property Endorsement - FA 263 05 16****Golf & Country Club Commercial Property Endorsement - FA 266 05 16****Manufacturers' Commercial Property Endorsement - FA 267 05 16****Hotel Commercial Property Endorsement - FA 268 05 16****Social Services Commercial Property Endorsement - FA 269 05 16****Fitness & Recreation Expanded Commercial Property Endorsement - FA 271 05 16****Craft Beverage Commercial Property Endorsement - FA 272 05 16****Educational Institutions Commercial Property Endorsement - FA 282 05 16****Health Care Facility Commercial Property Endorsement - FA 285 05 16****Medical Facility Commercial Property Endorsement - FA 4134 05 16**

- For each endorsement with a Water Backup coverage extension, expanded language is added for Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems, including the new terms "discharged", "septic" and "pump systems". (Clarification)
- "Waterborne material" is added as included along with water in the Water Backup coverage extension. (Broadening)
- The **FM 101, A.4. Additional Coverages, g. Ordinance or Law** has revised language which is incorporated into each endorsement having Ordinance or Law coverage. Language is amended to include "compliance" with the required ordinance or law that deals with rebuilding after a loss. (Clarification) (Not Applicable to **FA 285**)
- For each endorsement with fairs or exhibitions coverage, the term "fairs or exhibitions" is updated to "exhibitions, fairs or trade shows" since it is more contemporary language. (Broadening) (Not Applicable to **FA 285**)
- For each endorsement where applicable, revised **FM 101** coverage extension language is added to replace wording previously referred to as "newly acquired or constructed property". The word "acquired" has been deleted and replaced with "purchased, leased" to more clearly state our coverage intent and not provide coverage for short term storage situations. "Newly acquired locations" are replaced with

"newly purchased or leased locations", "newly acquired Electronic Data Processing Property" is replaced with "newly purchased or leased Electronic Data Processing Property", and "newly acquired or constructed property" is replaced with "newly purchased, leased or constructed property". (Clarification) (Not Applicable to **FA 285**)

- For each endorsement which refers to this **FM 101** exclusion, revised **FM 101** language is added for Dishonest or Criminal Acts (previously Dishonest Acts). (Clarification) (Not Applicable to **FA 285**)
- For each endorsement which refers to the **FM 101** Covered Causes of Loss, revised **FM 101** language is added for **3.a. Covered Causes of Loss** (previously **Risks of Direct Physical Loss**). (Clarification)
- For each endorsement with a Utility Services coverage extension, the **FM 101** broadened language for **q. Utility Services** is added to the endorsement. (Broadening)
- Under the Utility Services coverage extension, Wastewater/Sewage treatment facilities are being added as a utility service for Business Income only. However, coverage does not apply if the wastewater removal facility is overwhelmed itself with heavy rainfall or flooding. That falls under any Flood coverage, not Utility Services. (Broadening)
- Under the Utility Services coverage extension, Communication Supply Services includes service relating to Internet access or access to electronic, cellular, or satellite networks. (Broadening)
- Under the Utility Services coverage extension, while the Utility Services exclusions are concerned with whether the Utility Service is on or off premises, the coverage extension focuses on the source of the utility failure. (Broadening)
- Under the Utility Services coverage extension, the "Overhead Transmission and Distribution Lines" reference has been broadened to apply to overhead lines of any type. (Broadening)

**Fitness & Recreation Property Endorsement - FA 264 05 16**

- For fairs or exhibitions coverage, the term "fairs or exhibitions" is updated to "exhibitions, fairs or trade shows" since it is more contemporary language. (Broadening)
- Since all coverage limits are shown in the endorsement Schedule, in the text of the endorsement we removed the dollar amount of limits we will pay for each coverage, and instead we refer to the limits amounts shown in the Schedule. (Clarification)

**Hotel Commercial Property Endorsement - FA 268 05 16**

- The **FM 101, A.5. Coverage Extensions, b. Business Income and Extra Expense, (4) Civil Authority** is renumbered as **(3)**. We fixed the reference to this extension to **(3)** in the endorsement. (Clarification)
- The **FM 101** revised **(3)** Civil Authority language is added to the endorsement to clarify coverage intent. (Clarification)
- Revised **FM 101** language is added for Voluntary Parting Under False Pretense exclusion (previously False Pretense). (Clarification)

**Commercial Property Green Endorsement - FA 270 05 16**

- We removed reference to **FM 101, A.5. Coverage Extensions, g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage** because this limited coverage no longer exists for vegetative roofs. **FM 101, Item g.(7)** indicates that the Fungi coverage extension does not apply to vegetative roofs. (Broadening)
- This endorsement reflects the revised **FM 101** coverage extension language, previously referred to as "newly acquired or constructed property". "Newly acquired or constructed property" is replaced with "Newly purchased, leased or constructed property". (Clarification)

**Social Services Commercial Property Endorsement - FA 269 05 16****Educational Institutions Commercial Property Endorsement - FA 282 05 16****The Bridge Endorsement - FA 286 05 16**

- The **FM 101, A.5. Coverage Extensions, b. Business Income and Extra Expense, (3) Tenant Premises** no longer exists in the revised **FM 101**. So we completely removed reference to this extension in the Premises Boundary Increase section of our endorsement. (Reduction)
- The **FM 101, A.5. Coverage Extensions, b. Business Income and Extra Expense, (5) Alterations and New Buildings** is renumbered as **(4)**. We have fixed any references to this extension to **(4)** in the endorsement. (Clarification)
- Revised **FM 101** language is added for Voluntary Parting Under False Pretense exclusion (previously False Pretense). (Clarification) (Applicable to **FA 282** only)

**Brewery Property Endorsement - FA 273 05 16****Winery Property Endorsement - FA 274 05 16****Distillery Property Endorsement - FA 275 05 16**

- The endorsement has a Table of Contents added at the beginning to list each section and its corresponding page number. (Clarification)

- In paragraphs indicating that a loss will be paid, the phrase "in any one occurrence" or "in any one coverage term" has been moved to be in front of the Limit of Insurance, for emphasis, rather than having the phrase at the end of the sentence. (Clarification)
- The item Tank Collapse clarifies policy intent that an insured event of collapse must be abrupt and clarifies that the collapse coverage includes a building "or structure" or any part of a building "or structure". (Clarification)
- The items Tank Collapse and Tank Leakage each have revised wording for implosion or inward collapse of a tank. Coverage is broadened because we have removed language concerning the cause of the implosion or inward collapse. For Tank Collapse we removed the wording "due to the failure of a pressure relief device on the tank". For Tank Leakage we removed the wording "due to the failure of a pressure relief device on the tank, vessel or barrel". (Broadening)

**Restaurant Property Endorsement - FA 276 05 16**

- In paragraphs indicating that a loss will be paid, the phrase "in any one occurrence" or "in any one coverage term" has been moved to be in front of the Limit of Insurance, for emphasis, rather than having the phrase at the end of the sentence. (Clarification)
- The endorsement has a Table of Contents added at the beginning to list each section and its corresponding page number. (Clarification)

**Crisis Event Expense Coverage Endorsement - FA 283 05 16**

Under Item **D.1.** revised **FM 101** wording is added for Dishonest or Criminal Acts (previously Dishonest Acts) exclusion. (Clarification)

**Golf & Country Club Outdoor Trees, Shrubs and Plants - FA 288 05 16**

- Clarifies that coverage does not apply to trees, shrubs or plants that are part of a vegetative roof. Vegetative roofs are considered part of the building and therefore not considered Outdoor Property. (Clarification)

**Distilled Spirits and Wines Market Value - FA 456 05 16**

- All mention of "loss" is now described as direct "loss", for clarification purposes. (Clarification)
- The endorsement has a Table of Contents added at the beginning to list each section and its corresponding page number. (Clarification)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

Loc	Bldg	Loss Payee Name and Address:	Applicable Clause (Enter B, C, D or E):
BLKT	BLKT		B

BLANKET WHEN REQUIRED BY WRITTEN CONTRACT

- A.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

For the purposes of this endorsement only, the following are added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 4. Loss Payment**, as indicated in the Schedule of this endorsement.

**B. Loss Payable**

For Covered Property in which both you and a Loss Payee shown in the Schedule of this endorsement have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

**C. Lender's Loss Payable**

1. The Loss Payee shown in the Schedule of this endorsement is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- a. Warehouse receipts;
- b. A contract for deed;

- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

2. For Covered Property in which both you and a Loss Payee have an insurable interest:

- a. We will pay for covered "loss" to each Loss Payee in their order of precedence, as interests may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and



- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any "loss" and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and  
(2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
- a. 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.

4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **D. Contract of Sale**

1. The Loss Payee shown in the Schedule of this endorsement is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
  - a. Adjust losses with you; and
  - b. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.
3. For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

#### **E. Building Owner Loss Payable Clause**

1. The Loss Payee shown in the Schedule of this endorsement is the owner of the building in which you are a tenant.
2. We will adjust losses to the building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
3. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EQUIPMENT BREAKDOWN COVERAGE**

### **(Excluding Production Machinery)**

This endorsement modifies insurance provided under the following:

#### **COMMERCIAL PROPERTY COVERAGE FORM**

##### **A. COVERAGE**

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE** is amended by adding the following:

We will pay for direct damage to Covered Property caused by or resulting from an "accident" at the "premises".

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is amended by:

- a. Adding the following to (1)(e) **Utility Services**, (1)(g) **Water** 1), (2)(a) **Electrical Current**, (2)(d) **Miscellaneous Causes of Loss**, (2)(j) **Exposure to Weather**, (3)(a) **Weather Conditions**, (3)(b) **Acts or Decisions**, and (3)(c) **Defects, Errors, and Omissions**:

However, this exclusion does not apply if these causes of loss are caused by, or result from, an "accident" to Covered Property at the "premises".

- b. Deleting in its entirety (2)(e) **Explosion of Steam Apparatus**.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations** is amended:

- a. By deleting in its entirety:

(1) (1)(a) **Steam Apparatus**; and

(2) (1)(b) **Hot Water Boilers**,

- b. And by adding the following:

The following limitations apply only to "loss" covered by this endorsement. The sublimits provided in Paragraphs (1), (2) and (3) below are included within, and are not in addition to, the Limit of Insurance shown in the Declarations as applicable to the Covered Property. These limits, or the applicable Limit of Insurance shown in the Declarations as applicable to the Covered Property, whichever is less,

apply. These limits apply to direct damage only.

- (1) **Ammonia Contamination Limitation**

If Covered Property is contaminated by ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for this kind of damage, including salvage expense, is \$50,000 per location.

- (2) **Data, Media and Software Restoration**

If "electronic data" is destroyed or corrupted as a result of an "accident" to covered equipment, the most we will pay for the expenses incurred by you for the restoration of that "electronic data" is \$50,000 for all loss sustained in the "coverage term", regardless of the number of "accidents" or the number of "premises" involved.

- (3) **"Hazardous Substance" Limitation**

The following applies despite the operation of the Ordinance or Law Exclusion.

If Covered Property is damaged, contaminated or polluted by a "hazardous substance" as a result of an "accident" to Covered Property at the "premises", the most we will pay for any additional expenses incurred by you for clean up, repair, replacement or disposal of that property is \$50,000. As used here, additional expenses mean expenses incurred beyond those for which we would be liable if no "hazardous substance" had been involved.

##### **B. Additional Coverages**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION**

**A. COVERAGE, 4. Additional Coverages** is amended as follows:

1. The first paragraph is deleted in its entirety and replaced with the following:

All other terms and conditions of this Coverage Part, including Limits of Insurance and deductibles, apply to these Additional Coverages.

2. The following is added:

**a. Drying Out**

If electrical equipment included in Covered Property requires "drying out" as a result of a "flood", the reasonable expense incurred for the "drying out" will be covered. This Additional Coverage is included within the Limit of Insurance shown in the Declarations as applicable to the Covered Property.

**b. Expediting Expenses**

With respect to "loss" covered by this endorsement, and with respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (1) Make temporary repairs;
- (2) Expedite permanent repairs; and
- (3) Expedite permanent replacement.

**c. Non-Owned Utility Service Equipment**

We will pay for indirect loss resulting from an "accident" to non-owned utility equipment described in **E. Definitions, 1.a.(6)** but we will not pay for any expense to repair or replace direct damage to non-owned utility equipment that:

- (1) You do not own, lease or rent, or
- (2) That is not in your care custody and control.

This Additional Coverage is included within the Limit of Insurance shown in the Declarations as applicable to the Covered Property.

**C. Deductible**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended by adding the following:

The deductible applicable to "loss" covered by this endorsement is \$500, or the deductible indicated in the Declarations as being applicable

to the lost or damaged Covered Property, whichever is greater.

**D. Conditions**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended by adding the following:

**1. Suspension**

Whenever any covered equipment is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against "loss" from an "accident" to that covered equipment. This can be done by delivering or mailing a written notice of suspension to:

- a. Your last known address; or
- b. The address where the covered equipment is located.

Once suspended in this way, your insurance can be reinstated only by written notice from us.

If we suspend your insurance, you will get a pro rata refund of premium for that covered equipment. However, the suspension will be effective even if we have not yet made or offered a refund.

**2. Inspection**

If any Covered Property requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf.

**E. Definitions**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended by adding the following:

1. a. **"Accident"** means a sudden and accidental breakdown of the following covered equipment:

- (1) Any boiler;
- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents;
- (3) Any piping and its accessory equipment;
- (4) Any refrigeration or air conditioning system; or

- (5) Any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power.
- (6) Equipment of a type described in definition a.(1) through (5) above which you do not own, lease or rent and is not in your care, custody or control that is on or within one mile of a covered "location", and is supplying you with electricity, gas, water, steam, heat, refrigeration, air conditioning or communication services.

At the time the breakdown occurs, it must become apparent by physical damage that requires repair or replacement of the covered equipment or part thereof.

- b. None of the following is an "accident":
  - (1) Depletion, deterioration, corrosion or erosion, wear and tear;
  - (2) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
  - (3) The functioning of any safety or protective device; or
  - (4) The breakdown of any structure or foundation.
- c. None of the following are covered equipment:
  - (1) Any sewer piping, underground gas piping, or piping forming a part of a sprinkler system;
  - (2) Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigeration or air conditioning system;
  - (3) Insulating or refractory material;
  - (4) Vehicle, elevator, escalator, conveyor, hoist or crane;
  - (5) Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, nonmetallic part, or any part or tool subject to periodic replacement; or
  - (6) "Production Machinery".
- d. If a strike, riot, civil commotion, act of sabotage or vandalism results in an "accident", this insurance applies. However, the War and Military Action Exclusion and the conditions of this Coverage Part still apply.

- 2. **"Drying out"** means restoration of electrical equipment to service following a "flood" by removal of excess moisture from that equipment including:
  - a. Application of heat or controlled electrical current, circulation of air, or use of dehumidification equipment, after rinsing the electrical equipment with clean fresh water if necessary to flush away "flood" debris;
  - b. "Drying out" can be done in place or equipment can be disconnected and removed to a repair facility for drying if necessary.
  - c. "Drying out" does not include or apply to:
    - (1) Replacement or repair of any electrical equipment or parts thereof; or
    - (2) Any expense related to deconstruction, demolition, or reconstruction of any building component, structure or part thereof to gain access to electrical equipment.
- 3. **"Flood"** means a general and temporary condition of partial or complete inundation of normally dry land areas due to:
  - a. The overflow of inland or tidal waters;
  - b. The unusual or rapid accumulation or runoff of surface waters from any source; or
  - c. Mudslides or mudflows, which are caused by flooding as defined above in Paragraph 3.b. For the purpose of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

All flooding in a continuous or protracted event will constitute a single "flood".
- 4. **"Hazardous Substance"** means a substance declared to be hazardous to health by a governmental agency.
- 5. **"Production Machinery"** means:
  - a. Production or process machine or apparatus that processes, forms, cuts, shapes grinds or conveys raw material, material in process or finished products, and the computers and their peripherals that control or operate such a machine or apparatus.
  - b. Machine or apparatus used for research, medical, diagnostic, surgical, dental or pathological purposes, and computers and their peripherals that control or operate such a machine or apparatus.

## BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION F. DEFINITIONS**.

### SECTION A. COVERAGE

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- a. "Business Income" including "Rental Value".
- b. "Business Income" other than "Rental Value".
- c. "Rental Value".

If option **a.** above is selected, the term "Business Income" will include "Rental Value". If option **c.** above is selected, the term "Business Income" will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

#### 1. Business Income

- a. We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at "premises" which are described in the Declarations and for which a "Business Income" Limit of Insurance is shown in the Declarations. The "loss" must be caused by or result from a Covered Cause of Loss. With respect to "loss" to personal property in the open (or personal property in a vehicle or portable storage unit), the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.
- b. With respect to the requirements set forth in the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purposes of this Coverage Part only, your "premises" is the portion of the building which you rent, lease or occupy, including:
  - (1) Any area within the building or on the site at which the "premises" are lo-

cated if that area services or is used to gain access to the described "premises".

- (2) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.

#### 2. Extra Expense

- a. Extra Expense coverage is provided at the "premises" described in the Declarations only if the Declarations show that "Business Income" coverage applies at that "premises".
- b. Extra Expense means necessary expenses you sustain (as described in Paragraphs **2.c.**, **d.** and **e.**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- c. If these expenses reduce the otherwise payable "Business Income" loss, we will pay expenses (other than the expense to repair or replace property as described in Paragraph **2.d.**) to:
  - (1) Avoid or minimize the "suspension" of business and to continue "operations" either:
    - (a) At the "premises"; or
    - (b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
  - (2) Minimize the "suspension" of business if you cannot continue "operations".
- d. We will also pay expenses to:
  - (1) Repair or replace property; or

- (2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" loss. If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal "operations", the amount we will pay under this Coverage Form will be reduced by the salvage value of that property.

- e. Extra Expense as described in Paragraphs 2.a. thru 2.d. does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

### 3. Covered Causes of Loss

See **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss**.

### 4. Limitation for Electronic Data

- a. Coverage for "Business Income" does not apply when a "suspension" of "operations" is caused by destruction or corruption of "electronic data", or any "loss" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of "electronic data", or any "loss" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- c. This Limitation does not apply when "loss" to "electronic data" involves only "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

### 5. Additional Coverages

The Additional Coverages in Paragraphs 5.a. through 5.e. are included within and not additional "Business Income" and Extra Expense Limits of Insurance.

#### a. Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain due to direct "loss" at the "premises" caused by or re-

sulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
  - (a) Used in the construction, alterations or additions; or
  - (b) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

#### b. Civil Authority

When a Covered Cause of Loss causes direct damage to property other than Covered Property at the "premises", we will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority coverage for "Business Income" will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will apply for a period of up to 30 consecutive days from the date on which such coverage began.

Civil Authority coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will end 30 consecutive days after the date of that action; or when your Civil Authority coverage for "Business income" coverage ends, whichever is later.

**c. Extended Business Income****(1) "Business Income" Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Business Income" loss payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain during the period that:

- (a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b)** Ends on the earlier of:
  - (i)** The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed if no direct "loss" had occurred; or
  - (ii)** 60 consecutive days after the date determined in **c.(1)(a)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

**(2) "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you sustain during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
  - (i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or

- (ii)** 60 consecutive days after the date determined in **c.(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the described "premises" caused by or resulting from any Covered Cause of Loss.

**d. Interruption of Computer Operations**

- (1)** Subject to all provisions of this Additional Coverage - **Interruption of Computer Operations**, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" due to a Covered Cause of Loss. This Additional Coverage - **Interruption of Computer Operations** does not apply when loss to "electronic data" only involves loss to "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2)** The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (3)** The most we will pay under this Additional Coverage - **Interruption of Computer Operations** is \$2,500 for all loss sustained and expense sustained in any "coverage term", regardless of the number of interruptions or the number of "premises", locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this

amount, then the balance is available for loss or expense sustained as a result of subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not increase the amount of insurance in the next "coverage term". With respect to any interruption which begins in one "coverage term" and continues or results in additional loss or expense in that subsequent "coverage term", all loss and expense is deemed to be sustained in the "coverage term" in which the interruption began.

- (4) This Additional Coverage - **Interruption in Computer Operations** does not apply to loss sustained or expense sustained after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **d.(3)** of this Additional Coverage has not been exhausted.

**e. Ingress and Egress**

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by the prevention of existing ingress or egress at a "premises" shown in the Declarations due to direct "loss" by a Covered Cause of Loss at a location contiguous to such "premises". However, coverage does not apply if ingress or egress from the "premises" is prohibited by civil authority.

Ingress and egress coverage for "Business Income" will begin immediately after the time of the direct "loss" and will continue for a period up to 30 consecutive days.

Ingress and egress coverage for Extra Expense will begin at time of the direct "loss" and will continue for 30 consecutive days or whenever your Ingress and Egress "business income" coverage ends, whichever occurs first.

**6. Coverage Extension**

The limit applicable to the Coverage Extension is in addition to the Limit of Insurance. **SECTION D. ADDITIONAL CONDITION, 1. Coinsurance** does not apply to this Coverage Extension.

**Newly Purchased or Leased Locations**

- a. You may extend your "Business Income" and Extra Expense coverages to apply to property located at:
- (1) New buildings or additions while being built on a "premises";

- (2) Buildings you newly purchase or become required to insure by written contract; or
- (3) Leased buildings or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

This does not apply to property situated at trade shows, fairs or exhibitions.

- b. The most we will pay in total for "Business Income" and Extra Expense loss under this Coverage Extension is \$100,000 at each location described in Paragraph **6.a**.
- c. Insurance under this Coverage Extension will end when any of the following first occurs:
- (1) This policy expires;
- (2) 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (3) 90 days pass from the date you purchase, lease, or become contractually required to insure property described in Paragraphs **6.a.(2)** and **(3)**; or
- (4) You report values to us when you acquire your new building or business personal property.

We will charge you additional premium for values reported from the date you purchase or lease the property or begin construction on that part of the building that would qualify as Covered Property.

**SECTION B. LIMITS OF INSURANCE**

The most we will pay for loss in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

**SECTION C. LOSS CONDITIONS**

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

**1. Appraisal**

If we and you disagree on the amount of "Business Income" or Extra Expense loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of "Business Income" or Extra



Expense loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

## 2. Duties in the Event of Loss

- a. You must see that the following are done in the event you have a "Business Income" or Extra Expense loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct "loss". Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the direct "loss" occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the loss and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of

your "operations" as quickly as possible.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

## 3. Loss Determination

- a. The amount of "Business Income" loss will be determined based on:

- (1) The Net Income of the business before the direct "loss" occurred;
- (2) The likely Net Income of the business if no direct "loss" had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
- (4) Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - (b) Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been sustained by "operations" during the "period of restoration" if no direct "loss" had occurred. We will deduct from the total of such expenses:
  - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
  - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- (2) Necessary expenses that reduce the "Business Income" loss that otherwise would have been incurred.

**c. Resumption of Operations**

We will reduce the amount of your:

- (1) "Business Income" loss, other than Extra Expense to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the "premises" or elsewhere.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**4. Loss Payment**

We will pay for insured loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of "loss"; or
- b. An appraisal award has been made.

**SECTION D. ADDITIONAL CONDITION**

**1. Coinurance**

If a Coinurance percentage is shown in the Declarations, the following condition applies in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

We will not pay the full amount of any "Business Income" loss if the Limit of Insurance for "Business Income" is less than:

- a. The Coinurance percentage shown for "Business Income" in the Declarations; times
- b. The sum of:
- (1) The Net Income (Net Profit or Loss before income taxes), and
- (2) Operating expenses, including payroll expenses,

that would have been earned or incurred (had no direct "loss" occurred) by your "operations" at the "premises" for the 12 months following the inception, or last previous anniversary date, of this Coverage Part (whichever is later).

Instead, we will determine the most we will pay using the following steps:

1. Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this Coverage Part by the Coinurance percentage;
2. Divide the Limit of Insurance for the described "premises" by the figure determined in Step 1.; and
3. Multiply the total amount of loss by the figure determined in Step 2.

We will pay the amount determined in Step 3. or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

1. Prepaid freight - outgoing;
2. Returns and allowances;
3. Discounts;
4. Bad debts;
5. Collection expenses;
6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);
8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
11. All payroll expenses or the amount of payroll expense excluded (if Form **FA 465** is attached); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

**Example No. 1 (Underinsurance):**

When: The Net Income and operating expenses for the 12 months follow-

ing the inception, or last previous anniversary date of this Coverage Part at "premises" would have been \$400,000.

The Coinsurance percentage is 50%  
 The Limit of Insurance Is \$150,000  
 "Business Income" loss is \$80,000

Step 1:  $\$400,000 \times 50\% = \$200,000$   
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step 2:  $\$150,000 \div \$200,000 = .75$

Step 3:  $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

#### **Example No. 2 (Adequate Insurance):**

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date of this Coverage Part at the "premises" would have been \$400,000.

The Coinsurance percentage is 50%  
 The Limit of Insurance Is \$200,000  
 "Business Income" loss is \$80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 (\$400,000 x 50%). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of "loss").

This condition does not apply to Extra Expense.

### **SECTION E. OPTIONAL COVERAGES**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

#### **1. Maximum Period of Indemnity**

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay in total for "Business Income" and Extra Expense loss is the lesser of:

- (1) The amount of "Business Income" and Extra Expense loss sustained during the 120 days immediately following the beginning of the "period of restoration"; or

- (2) The Limit of Insurance shown in the Declarations.

#### **2. Monthly Limit of Indemnity**

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay for "Business Income" loss in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- (1) The Limit of Insurance; multiplied by

- (2) The fraction shown in the Declarations for this Optional Coverage.

#### **Example:**

When: The "Business Income" Limit of Insurance is \$120,000

The fraction shown in the Declarations for this Optional Coverage is 1/4

The most we will pay for loss in each period of 30 consecutive days is:  
 $\$120,000 \times 1/4 = \$30,000$ .

If, in this example, the actual amount of "Business Income" loss is:

Days	1-30	\$40,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$90,000</u>

We will pay:

Days	1-30	\$30,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$80,000</u>

The remaining \$10,000 is not covered.

#### **3. Business Income Agreed Value**

a. To activate this Optional Coverage:

(1) A Business Income Report/Work Sheet must be on file with the Company and must show financial data for your "operations":

(a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies. The "Business Income" Limit of Insurance indicated on the Declarations should

be at least equal to the Agreed Value, which is determined by:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and Operating Expenses for the following 12 months you report on the Work Sheet.

- b. Except as noted in c. below, the **ADDITIONAL CONDITION Coinsurance** is suspended until the expiration date of this Coverage Part.
- c. We will reinstate the **ADDITIONAL CONDITION Coinsurance** automatically if you do not submit a new Work Sheet and Agreed Value:
  - (1) When you request a change in your "Business Income" Limit of Insurance; or
  - (2) When you request the coinsurance percentage be changed on the Work Sheet.
- d. If the "Business Income" Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:
  - (1) The "Business Income" Limit of Insurance; divided by
  - (2) The Agreed Value.

**Example:**

When: The Limit of Insurance is \$100,000

The Agreed Value is \$200,000

"Business Income" loss is \$80,000

Step (a):  $\$100,000 \div \$200,000 = .50$

Step (b):  $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

**4. Extended Period of Indemnity**

In **SECTION A. COVERAGE, 5. Additional Coverages, c. Extended Business Income**, the number "60" in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

**SECTION F. DEFINITIONS**

- 1. "Business Income" means the:
  - a. Net income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

- b. Continuing normal operating expenses sustained, including payroll.

- 2. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- 3. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

- 4. "Electronic data" means information, facts or "computer programs" stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.

- 5. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a coinsurance percentage shown for "Business Income" in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.

6. "Loss" means accidental physical loss or accidental physical damage.
7. "Operations" means:
  - a. Your business activities occurring at the "premises"; and
  - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
8. "Period of restoration" means the period of time that:
  - a. Begins at the time of direct "loss".
  - b. Ends on the earlier of:
    - (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (2) The date when business is resumed at a new permanent location.
  - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
    - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
    - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
  - d. The expiration date of the Coverage Part will not cut short the "period of restoration".
9. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
  - a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
10. "Premises" means the Locations and Buildings described in the Declarations.
11. "Rental Value" means "Business Income" that consists of:
  - a. Net income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "premises" described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the "premises" which is occupied by you; and
  - b. Continuing normal operating expenses incurred in connection with that "premises", including:
    - (1) Payroll; and
    - (2) The amount of charges, which are the legal obligation of the tenant(s) but would otherwise be your obligations.
12. "Suspension" means:
  - a. The slowdown or cessation of your business activities; and
  - b. That a part or all of the "premises" is rendered untenable if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
13. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information. But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL COVERED PROPERTY**

This endorsement modifies insurance provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY**

The following is withdrawn from PROPERTY NOT COVERED and added to COVERED PROPERTY:

**SCHEDULE\***

<b>Prem. No.</b>	<b>Bldg. No.</b>	<b>Paragraph Reference</b>	<b>Description of Property</b>	<b>Type of Property Coverage (Enter BUILDING or PERSONAL PROPERTY)</b>
<b>BLKT</b>	<b>BLKT</b>	<b>2.I.</b>	<b>PAVED SURFACES</b>	<b>BUILDING</b>

\*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

## BUSINESS INCOME REPORT/WORK SHEET

Date 07-11-2018

Your Name THOMPSON THRIFT DEVELOPMENT INC

Location \_\_\_\_\_

This work sheet must be completed on an accrual basis.

The beginning and ending inventories in all calculations should be based on the same valuation method.

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### APPLICABLE WHEN THE AGREED VALUE COVERAGE OPTION APPLIES:

I certify that this is a true and correct report of values as required under this policy for the periods indicated and that the Agreed Value for the period of coverage is \$ \_\_\_\_\_, based on a Co-insurance percentage of \_\_\_\_\_ %

Signature \_\_\_\_\_

Official Title \_\_\_\_\_

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### APPLICABLE WHEN THE PREMIUM ADJUSTMENT FORM APPLIES:

I certify that this is a true and correct report of values as required under this policy for the 12 months ended \_\_\_\_\_

Signature \_\_\_\_\_

Official Title \_\_\_\_\_

Agent or Broker \_\_\_\_\_

Mailing Address \_\_\_\_\_

**BUSINESS INCOME REPORT/WORK SHEET  
FINANCIAL ANALYSIS**

		12 Month Period Ending _____	Estimated for 12 Month Period Beginning _____
<u>Income and Expenses</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>
			<u>Non- Manufacturing</u>
<b>A.</b> Gross Sales	\$ _____	\$ _____	\$ _____
<b>B.</b> DEDUCT: Finished Stock Inventory (at sales value) at Beginning	- _____	XXXXXX _____ XXXXXX _____	- _____
			XXXXXX _____ XXXXXX _____
<b>C.</b> ADD: Finished Stock Inventory (at sales value) at End	+ _____	XXXXXX _____	+ _____
			XXXXXX _____
<b>D.</b> Gross Sales Value of Production	\$ _____	XXXXXX _____	\$ _____
			XXXXXX _____
<b>E.</b> DEDUCT: Prepaid Freight - Outgoing	- _____	- _____	- _____
Returns & Allowances	- _____	- _____	- _____
Discounts	- _____	- _____	- _____
Bad Debts	- _____	- _____	- _____
Collection Expenses	- _____	- _____	- _____
<b>F.</b> Net Sales		\$ _____	
Net Sales Value of Production	\$ _____		\$ _____
<b>G.</b> ADD: Other Earnings from your business operations (not investment income or rents from other properties):			
Commissions or Rents	+ _____	+ _____	+ _____
Cash Discounts Received	+ _____	+ _____	+ _____
Other	+ _____	+ _____	+ _____
<b>H.</b> Total Revenues	\$ _____	\$ _____	\$ _____



	12 Month Period Ending _____		Estimated for 12 Month Period Beginning _____	
<u>Income and Expenses</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>
Total Revenues (Line H. from previous page)	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
<b>I. DEDUCT:</b>				
Cost of goods sold (see next page for instructions)	- _____	- _____	- _____	- _____
Cost of services purchased from outsiders (not your employees) to resell, that do not continue under contract	- _____	- _____	- _____	- _____
Power, heat and refrigeration expenses that do not continue under contract (if <b>CP 15 11</b> is attached)	- _____	- XXXXXX	- _____	- XXXXXX
All ordinary payroll expenses or the amount of payroll expense excluded (if <b>CP 15 10</b> is attached)	- _____	- XXXXXX	- _____	- XXXXXX
Special deductions for mining properties (see next page for instructions)	- _____	- _____	- _____	- _____
<b>J.1.</b> Business Income exposure for 12 months	\$ _____	_____	_____	_____
<b>J.2.</b> Combined (firms engaged in manufacturing & non- manufacturing operations)	\$ _____	_____	\$ _____	_____
The figures in <b>J.1. or J.2</b> represent 100% of your actual and estimated Business Income exposure for 12 months				
<b>K. Additional Expenses:</b>				
1. Extra Expenses - form <b>CP 00 30</b> only (expenses incurred to avoid or minimize suspension of business & to continue operations)			\$ _____	\$ _____

## 2. Extended Business Income

and Extended Period of  
Indemnity - form **CP 00 30** or  
**CP 00 32** (loss of Business  
Income following resumption  
of operations, up to 30 days  
or the no. of days selected  
under Extended Period of  
Indemnity option)

3. Combined (all amounts in **K.1.**  
and **K.2.**)

+ \_\_\_\_\_ + \_\_\_\_\_

\$ \_\_\_\_\_

"Estimated" column

\$ \_\_\_\_\_

**L.** Total of **J.** and **K.**

The figure in **L.** represents 100% of your estimated Business Income exposure for 12 months, and additional expenses. Using this figure as information, determine the approximate amount of insurance needed based on your evaluation of the number of months needed (may exceed 12 months) to replace your property, resume operations and restore the business to the condition that would have existed if no property damage had occurred.

Refer to the agent or Company for information on available Coinsurance levels and indemnity options. The Limit of Insurance you select will be shown in the Declarations of the policy.

**Supplementary Information**  
**12 Month Period**  
**Ending**

**Estimated for 12 Month Period**  
**Beginning**

	<b>Manufacturing</b>	<b>Non- Manufacturing</b>	<b>Manufacturing</b>	<b>Non- Manufacturing</b>
--	----------------------	-------------------------------	----------------------	-------------------------------

**CALCULATION OF COST OF  
GOODS SOLD**

Inventory at beginning of year (Including raw material and stock in process, but not finished stock, for manufacturing risks)	\$ _____	\$ _____	\$ _____	\$ _____
--	----------	----------	----------	----------

Add: The following purchase costs: Cost of raw stock (including transportation charges)	+ _____	XXXXXX	+ _____	XXXXXX
---	---------	--------	---------	--------

Cost of factory supplies consumed	+ _____	XXXXXX	+ _____	XXXXXX
--------------------------------------	---------	--------	---------	--------

Cost of merchandise sold including transportation charges (for manufacturing risks, means cost of merchandise sold but not manufactured by you)	+ _____	+ _____	+ _____	+ _____
---	---------	---------	---------	---------

Cost of other supplies consumed (including transportation charges)	+ _____	+ _____	+ _____	+ _____
---	---------	---------	---------	---------

Cost of goods available for sale	\$ _____	\$ _____	\$ _____	\$ _____
----------------------------------	----------	----------	----------	----------

Deduct: Inventory at end of year (Including raw material and stock in process, but not finished stock, for manufacturing risks)	- _____	- _____	- _____	- _____
--	---------	---------	---------	---------

Costs of Goods Sold (Enter this figure in Item I. on previous page)	\$ _____	\$ _____	\$ _____	\$ _____
--	----------	----------	----------	----------

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**CALCULATION OF SPECIAL  
DEDUCTIONS - MINING PROPERTIES**

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Royalties, unless specifically  
included in coverage

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Actual depletion, commonly known  
as unit or cost depletion (not  
percentage depletion)

+ \_\_\_\_\_

+ \_\_\_\_\_

Welfare and retirement fund  
charges based on tonnage

+ \_\_\_\_\_

+ \_\_\_\_\_

Hired trucks

+ \_\_\_\_\_

+ \_\_\_\_\_

Enter this figure in Item I. on  
previous page

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☒ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ 1,000,000

- ☐ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ \_\_\_\_\_

Loc	Bldg	Covered Property
<div style="text-align: right; margin-top: 10px;">\$ _____</div>		

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph **1)** does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUBLIMIT FORM)

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

**Coverage and Locations**  
(enter an "x" to activate Coverage)

Blanket Limit of Insurance

Deductible

- ☒ Coverage applies at all Locations shown in the Declarations for all of the following:

10,000,0005%☒ Building☒

Business Personal Property

☒

Business Income

- ☐ Coverage applies at the Locations indicated below for all the following:

☐ Building☐

Business Personal Property

☐

Business Income

Loc Bldg

Loc

Bldg

- ☐ Coverage Applies on a Scheduled basis as follows:

Coverage Applies to:  
Loc Bldg (Bldg., BPP, Business Income)

Specific  
Limit of Insurance Deductible

- ☐ "Including Masonry Veneer Option"

**A. Application of Earthquake Coverage**

1. This endorsement applies to the Covered Property and Coverages for which an Earthquake - Volcanic Eruption Limit of Insurance is shown in the Schedule of this endorsement.
2. To the extent that the Earth Movement Exclusion of any other form attached to this Coverage Part might conflict with coverage provided under this endorsement, that Earth Movement Exclusion does not apply.

**B. Additional Covered Causes of Loss - Earthquake and Volcanic Eruption**

For the purposes of this endorsement only, the following are added as Covered Causes of Loss to any other Coverage Form endorsed to this Coverage Part:

1. Earthquake, including tremors and after-shocks and any earth sinking, rising, or shifting related to such event.
2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this Coverage Part will not reduce the 168-hour period.

**C. Additional Covered Causes of Loss - Earthquake and Volcanic Eruption - Sprinkler Leakage Only**

If the Declarations indicate that this endorsement covers Earthquake - Sprinkler Leakage Only, then Section B. of this endorsement is deleted and replaced by the following:

The following are added as Covered Causes of Loss to any other Coverage Form endorsed to this Coverage Part:

1. Sprinkler Leakage resulting from Earthquake.
2. Sprinkler Leakage resulting from Volcanic Eruption. Volcanic Eruption means the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this Coverage Part will not reduce the 168-hour period.

**D. Amended Exclusions and Provisions**

For the purposes of this endorsement only:

1. The following provisions:

a. **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions and c. Limitations of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION E. EXCLUSIONS of the MORTGAGE INTEREST COVERAGE FORM;**

apply to coverage provided under this endorsement, except as provided in Section D.2. and D.3 below.

2. The following exclusions:

a. **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)(k) Collapse of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION E. EXCLUSIONS, 4.a. Collapse of the MORTGAGE INTEREST COVERAGE FORM;**

do not apply to collapse caused by Earthquake or Volcanic Eruption.

3. The following provisions:

a. **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION H. ADDITIONAL COVERAGE - COLLAPSE of the MORTGAGE INTEREST COVERAGE FORM;**

do not apply to the coverage provided under this endorsement. This endorsement includes coverage for collapse caused by Earthquake or Volcanic Eruption.

4. Any Ordinance or Law Exclusion in this Coverage Part continues to apply with respect to any direct "loss" under this Coverage Part including any direct "loss" under this endorsement, unless Ordinance or Law Coverage is added by endorsement.

**E. Additional Exclusions****1. Pre-Existing Earthquake**

We will not pay for direct "loss" caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance.

**2. Tidal Wave or Tsunami**

We will not pay for direct "loss" caused directly or indirectly by tidal wave or tsunami.

mi, even if attributable to an Earthquake or Volcanic Eruption.

### 3. Exterior Masonry Veneer

We will not pay for direct "loss" to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from the Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of "loss" when applying the **Property Damage Deductible** applicable to this endorsement.

This Exclusion **E.3.** does not apply if:

- a. The Schedule of this endorsement indicates that the "Including Masonry Veneer" option applies or the "premises" description in the Declarations specifically states "Including Masonry Veneer"; or
- b. Less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco).

### 4. Cost of Restoring Land

Coverage under this endorsement does not include the cost of restoring or remediate land or the cost of excavations, grading, backfilling or filling.

## F. Coinsurance

For the purposes of this endorsement only, **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety.

## G. Sublimits of Insurance

### 1. Earthquake Limit of Insurance

- a. For this endorsement only, the term Limit of Insurance means the Sublimit of Insurance applicable to Covered Property that suffers direct "loss" from earthquake or volcanic eruption.

Information on the Limit of Insurance applicable to Covered Property for direct "loss" from earthquake or volcanic eruption is provided in the Schedule of this endorsement. This earthquake limit is included in, and not in addition to, the Limit of Insurance shown in the Declarations for that Covered Property.

### 2. Annual Aggregate Limit

- a. The Limit of Insurance for Earthquake - Volcanic Eruption is an annual aggregate limit and is the most we will pay for the total of all direct

"loss" caused by Earthquake or Volcanic Eruption in any one "coverage term", even if there is more than one Earthquake or Volcanic Eruption during that "coverage term". Thus, if the first Earthquake or Volcanic Eruption does not exhaust the Limit of Insurance, then the balance of that Limit is available for a subsequent Earthquake(s) or Volcanic Eruption(s) during that "coverage term".

- b. If a single Earthquake or Volcanic Eruption (as defined in Section **B.** of this endorsement) begins in the "coverage term" and continues or results in additional direct "loss" in a subsequent "coverage term", all direct "loss" is deemed to be sustained in the "coverage term" in which it began.

## 3. Additional Coverages and Coverage Extensions

Amounts payable under **SECTION A. COVERAGE, 4. Additional Coverages** or **5. Coverage Extensions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** do not increase the Limit of Insurance for Earthquake - Volcanic Eruption.

## 4. Limitation

For property or coverage that is subject to a Blanket Limit on Earthquake - Volcanic Eruption (as shown in the Schedule of this endorsement or in the Declarations), we will not pay more than we would pay in the absence of such Blanket Limit. Therefore, the maximum amount payable for any such item of property or coverage is the Limit of Insurance or stated value (as shown in a Statement of Values on file with us) specific to that item of property or coverage for Covered Causes of Loss other than Earthquake - Volcanic Eruption.

## 5. Ensuing Loss

If a Cause of Loss is covered by means of an exception to the Earth Movement Exclusion as in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement**, we will also pay for the direct "loss" caused by that other Covered Cause of Loss. But the most we will pay, for the total of all direct "loss" caused by the Earthquake, Volcanic Eruption and other Covered Cause of Loss, is the Limit of Insurance applicable to such other Covered Cause of Loss. We will **not** pay the sum of the two Limits.

**6. Ensuing Loss - Examples**

The two examples below use the following information:

- a. The Coverage Part provides direct coverage for the cause of loss of fire and has this **Earthquake and Volcanic Eruption Endorsement (Sub-limit Form)** attached;
- b. The Limit of Insurance applicable to the building for fire is \$800,000;
- c. The Limit of Insurance for Earthquake and Volcanic Eruption is \$400,000 and the Earthquake Deductible is \$50,000.

**d. Example #1**

A building is damaged by Earthquake, and by Fire which is caused by the Earthquake.

The direct damage due to Earthquake is \$500,000. The damage due to Fire is \$500,000.

Payment for Earthquake damage is \$400,000 (\$500,000 damage minus \$50,000 Earthquake deductible = \$450,000; Limit is \$400,000).

Payment for Fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the Earthquake Limit).

Total Loss Payment is \$800,000.

**e. Example #2**

The direct damage due to Earthquake is \$800,000. The damage due to Fire is \$100,000.

Payment for Earthquake damage is \$400,000 (\$800,000 damage minus \$50,000 Earthquake deductible = \$750,000; Limit is \$400,000).

Payment for Fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**H. Earthquake Property Damage Deductible**

- 1. The provisions of Section **H.3.** of this endorsement are applicable to all Coverage Forms except:
  - a. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
  - b. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;**

**c. EXTRA EXPENSE COVERAGE FORM; and****d. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

- 2. If the Declarations indicate that this endorsement covers Earthquake - Sprinkler Leakage Only, then the deductible set forth in Section **H.3.** of this endorsement does not apply to such coverage. The applicable deductible for such coverage is the same deductible that applies to fire.
- 3. The Deductible, if any, in this Coverage Part is replaced by the following with respect to Earthquake and Volcanic Eruption:

**a. All Policies**

- (1) The Deductible provisions apply to each Earthquake or Volcanic Eruption.
- (2) Separate Deductibles are calculated for, and apply to, each building and business personal property at each building and business personal property in the open. Deductibles are separately calculated and applied even if:
  - (a) Two or more buildings sustain direct "loss";
  - (b) Business personal property at two or more buildings sustains direct "loss"; or
  - (c) A building and the personal property in that building sustain direct "loss".
- (3) We will not pay for direct "loss" until the amount of "loss" exceeds the applicable Deductible. We will then pay the amount of "loss" in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Agreed Value Optional Coverage, Additional Condition - Need for Adequate Insurance, or Additional Condition - Need for Full Reports.
- (4) When property is covered under the Coverage Extension for Newly Purchased, Leased or Constructed Property, in determining the amount, if any, that

we will pay for direct "loss", we will deduct an amount equal to a percentage of the value of the property at time of "loss". The applicable percentage for Newly Purchased, Leased or Constructed Property is the highest percentage shown in the Declarations for any "premises".

- (5) If there is direct "loss" caused by Earthquake or Volcanic Eruption, and direct "loss" caused by a Cause of Loss (e.g., fire) that is covered by means of an exception to the Earth Movement Exclusion, then the only applicable Deductible provisions are those stated in this endorsement.
- (6) The Earthquake or Volcanic Eruption deductible can be expressed as a dollar amount or as a percentage of the Earthquake Limit of Insurance shown in the Schedule. If blanket coverage applies, the percentage deductible is applied to the blanket Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**b. Calculation of the Dollar Deductible**

In determining the amount, if any, that we will pay for direct "loss", we will deduct an amount equal to the dollar amount shown in the Schedule, for the applicable (blanket or specific) Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**c. Calculation of the Percentage Deductible**

In determining the amount, if any, that we will pay for direct "loss", we will deduct an amount equal to the percentage that the deductible bears to the applicable (blanket or specific) Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**I. Example - Application of Percentage Deductible in H.3.c.**

The example below uses the following information:

1. The specific Earthquake limits of insurance are:

- (a) Building #1 - \$500,000  
Building #2 - \$500,000
- (b) Business Personal Property at Building #1 - \$250,000  
Business Personal Property at Building #2 - \$250,000

The Deductible is 10%

**2. Deductible Calculation**

Building #1 and Business Personal Property at Building #1 have sustained damage and the amounts of direct "loss" are \$95,000 (Building) and \$5,000 (Business Personal Property).

**(a) Building**

Step (1):  $\$500,000 \times 10\% = \$50,000$   
Step (2):  $\$95,000 \text{ loss} - \$50,000 \text{ deductible} = \$45,000$

**(b) Business Personal Property**

Step (1):  $\$250,000 \times 10\% = \$25,000$

The loss, \$5,000, does not exceed the deductible.

The most we will pay is \$45,000. The remainder of the building "loss", \$50,000, is not covered due to application of the Deductible. There is no "loss" payment for the business personal property.

**J. Business Income and Extra Expense Period of Restoration**

This Section J. is applicable only to the Coverage Forms specified below:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;**
3. **EXTRA EXPENSE COVERAGE FORM;** and
4. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business income and Extra Expense.**

The "period of restoration" definition stated in the Coverage Form, or in any endorsement amending the beginning of the "period of restoration", applies to each Earthquake or Volcanic Eruption. A single Earthquake or Volcanic Eruption is defined in Section B. and C. of this endorsement.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CINCIPLUS®**  
**COMMERCIAL PROPERTY XC+®**  
**(EXPANDED COVERAGE PLUS) ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

The insurance coverage and Limits of Insurance provided by this endorsement are excess of, and apply in addition to, any similar or identical coverage provided by any other endorsement attached to this Coverage Part, or by any other Coverage Part forming a part of the policy of insurance of which this Coverage Part forms a component.

**SCHEDULE**

<b>Blanket Coverage Limit</b>	<b>\$150,000</b>
Applicable only to those coverages subject to the Blanket Coverage Limit, as indicated in this endorsement	

**A. Accounts Receivable**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the second paragraph in **(3)(b) Away From Your Premises** is deleted in its entirety and replaced by the following:

This limit of insurance for Away From Your Premises coverage is not included within the Blanket Coverage Limit and is separate and in addition to the Blanket Coverage Limit.

2. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Accounts Receivable Coverage Extension is the Blanket Coverage Limit as provided in Section X of this endorsement.

**B. Business Income and Extra Expense**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVER-**

**AGE, 5. Coverage Extensions, b. Business Income and Extra Expense** is modified as follows:

**1. Business Income From Dependent Properties**

- a. For **Business Income from Dependent Properties** only, Paragraph **b.(1)** is deleted in its entirety and replaced by the following:

**(1) Business Income From Dependent Properties**

We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to "dependent property" caused by or resulting from any Covered Cause of Loss.

However, coverage under this endorsement does not apply when the only "loss" to "dependent property" is "loss" to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains "loss" to "electronic data" and other property, coverage under this endorsement will not

continue once the other property is repaired, rebuilt, or replaced.

**b. Limit of Insurance for Dependent Properties**

The most we will pay for loss in one occurrence under **Business Income From Dependent Properties** is \$5,000. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

**c. Loss Determination for Dependent Properties**

For **Business Income from Dependent Properties** only, the following is added:

**Resumption of Operations**

We will reduce the amount of your:

- (1) "Business Income" loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available
  - (a) Source of materials; or
  - (b) Outlet for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

**d. Definitions**

**SECTION G. DEFINITIONS** is amended to include the following definitions:

- (1) "Dependent property" means property operated by others whom you depend on to:
  - (a) Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:
    - 1) Water Supply services;
    - 2) Power Supply services; or
    - 3) Communication supply services, including services relating to internet access or access to any electronic network;

(b) Accept your products or services;

(c) Manufacture products for delivery to your customers under contract of sale; or

(d) Attract customers to your business.

- (2) The "Period of restoration" Definition, with respect to "dependent property", is replaced by the following:

"Period of restoration" means the period of time that:

- (a) Begins 24 hours after the time of direct "loss" caused by or resulting from any Covered Cause of Loss at the "premises" of the "dependent property"; and
- (b) Ends on the date when the property at the "premises" of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that

- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this Coverage Part will not cut short the "period of restoration".

The most we will pay is the **Business Income From Dependent Properties** sub-limit of insurance. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

**2. Interruption of Computer Operations**

- a. For **Interruption of Computer Operations** only, all references to \$2,500 in **b. Business Income and Extra**

**Expense**, Paragraph (7)(c) are deleted and replaced by \$25,000.

- b. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended as follows:

With respect to a "suspension" of "operations" caused only by an interruption in computer operations due to the destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, Paragraph a. of Definition 11. "Period of restoration" is deleted and replaced by the following:

- a. Begins 24 hours after the time of direct "loss".

**3. Business Income and Extra Expense Revised Limits of Insurance**

The last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$100,000.

**C. Electronic Data Processing Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended by adding the following:

**Electronic Data Processing Property**

**(1) Covered Property**

You may extend the Coverage provided by this Coverage Part to apply to direct "loss" to Covered Property consisting of your:

- (a) Data processing equipment;
- (b) Air conditioning and other electrical equipment, used exclusively with your data processing equipment;
- (c) Programming documentation and instruction manuals;
- (d) "Electronic data", but only as excess over what is valid and collectible under **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**;
- (e) Media, meaning materials on which "electronic data" is recorded, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and

compact discs used in processing units; and

- (f) Property of others in your care, custody or control that is similar to property described in (1)(a) through (e) above.

**(2) Property Not Covered**

This Coverage Extension does not apply to:

- (a) Accounts, records, documents and other "valuable papers and records" unless they are programming documentation or instruction manuals.

However, we will cover these items once they are converted to "electronic data" form.

- (b) "Electronic data" or media that cannot be replaced with similar property of equal quality.
- (c) Your property that you have rented or leased to someone else and that property is not at your "premises".
- (d) Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- (e) "Production equipment".

**(3) Exclusions**

- (a) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

- 1) **Exclusion (1)(c) Governmental Action;**
- 2) **Exclusion (1)(d) Nuclear Hazard;**
- 3) **Exclusion (1)(f) War and Military Action;**
- 4) **Exclusion (2)(b) Delay or Loss of Use;**
- 5) **Exclusion (2)(d) Miscellaneous Causes of Loss, 1) Wear and tear;**
- 6) **Exclusion (2)(h) Dishonest or Criminal Acts;**
- 7) **Exclusion (3)(b) Acts or Decisions; and**
- 8) **Exclusion (3)(c) Defects, Errors and Omissions.**



- (b) In addition to Paragraph (3)(a) of this Coverage Extension, we will not pay for the following:

Hidden or latent defect, gradual deterioration, and depreciation. However, if direct "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss".

**(4) Duplicate and Backup "Electronic Data"**

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to duplicate and backup "electronic data" that you store at a "premises" not described in the Declarations providing such "electronic data" is not covered by another policy. The most we will pay for loss in any one occurrence is \$2,000. This Limit of Insurance is in addition to the other limits provided by this Coverage Extension.

**(5) Newly Purchased Electronic Data Processing Property**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is deleted in its entirety and replaced by the following:

- (a) We will pay for direct "loss" from a Covered Cause of Loss to newly purchased or leased Covered Property described in Paragraph (1) of this Coverage Extension while at:
- 1) Locations that are newly purchased or leased;
  - 2) Your newly constructed buildings or additions at a "premises"; or
  - 3) Any "premises" described in the Declarations.
- (b) Insurance under this Coverage Extension for such newly acquired property, or Covered Property already insured by this Coverage Extension which is moved to a newly acquired location, will end when any of the following first occurs:
- 1) This Coverage Part expires;
  - 2) 90 days pass from the date you acquire your new property or move Covered Property to a newly acquired location; or
  - 3) You report values to us.

The most we will pay for loss in any one occurrence is \$10,000. This Limit of Insur-

ance is in addition to the other limits provided by this Coverage Extension.

**(6) In Transit or Away From Premises**

**SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs or Trade shows, m. Property Off Premises and p. Transportation** are deleted in their entirety and replaced by the following:

- (a) You may extend the insurance provided by this Coverage Extension to apply to Covered Property as described in Paragraph (1):
- 1) While in or on a vehicle, including loading and unloading; or
  - 2) While at a location that is not your "premises".
- (b) This **In Transit or Away From Premises** coverage does not apply per location.

The most we will pay for loss in any one occurrence is \$10,000. This Limit of Insurance is not in addition to the other limits provided by this Coverage Extension.

**(7) Worldwide Laptop Coverage**

- (a) You may extend the insurance provided by this Coverage Extension to apply to your laptops, notebooks and similar highly portable personal computers, including their peripherals and accessories, while such specific Covered Property is:
- 1) In your or your employee's care, custody and control;
  - 2) Not located at a "premises" you own or lease; and
  - 3) Not located in the coverage territory stated in Paragraph 2. of the Commercial Property Condition **H. Policy Period, Coverage Territory**, provided that location is not under a United States Department of State trade or travel restriction at the time of "loss".

- (b) This **Worldwide Laptop Coverage** does not apply per location.

**(8) Electronic Data Processing Property Deductible**

**SECTION C. DEDUCTIBLE** is amended to include the following:

We will not pay for direct "loss" in any one occurrence unless the amount of "loss" exceeds the Deductible shown in the Declarations. We will then pay the amount of

"loss" in excess of the Deductible, up to the Limit of Insurance provided by this Coverage Extension.

However, direct "loss" caused by or resulting from any of the following Causes of Loss will have the greater of the Deductible shown in the Declarations or \$1,000 as the applicable deductible:

- a. "Loss" caused by faulty construction, error in design or processing, or service or work upon the data processing system;
- b. "Loss" resulting in mechanical breakdown, short circuiting, blowout, or other electrical damage, unless caused by lightning; or
- c. "Loss" caused by or resulting from interruption of power supply, power surge, blackout or brownout.

**(9) Electronic Data Processing Property Valuation**

**SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

**7. Valuation of Electronic Data Processing Property**

In the event of direct "loss", we will determine the value of Covered Property as described in Paragraph (1) of this Coverage Extension as follows:

- a. Except for "electronic data":
  - (1) If you repair or replace this Electronic Data Processing property within a reasonable time following the direct "loss", the property will be valued at the full cost of repair or replacement.

However, the most we will pay is the least of the following:

  - (a) The actual cost to repair or restore the property with materials of like kind and quality;
  - (b) The cost of replacing that property with property of similar quality and function;
  - (c) The amount you actually and necessarily spend to repair or replace the property; or

- (d) The Limit of Insurance applicable to the property.

- (2) If you do not repair or replace this property within a reasonable time following a direct "loss", the most we will pay will be the least of the following:

- (a) "Actual cash value" of the property;
- (b) "Actual cash value" of repairs with material of like kind and quality; or
- (c) The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in money.

In the event of "loss", the value of property will be determined at the time of direct "loss".

- b. For "electronic data":

We will not pay more than the actual reproduction costs of your "electronic data". If you do not replace or reproduce your "electronic data" following the "loss", the most we will pay is the cost of blank media as described in Paragraph C.(1)(e) of this Coverage Extension.

**(10) Electronic Data Processing Property Additional Definition**

The following definition is added to **SECTION G. DEFINITIONS** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

"Production equipment" means any machinery and related components, including any integrated or dedicated computer system, which is used, or can be used, to produce or process other tangible property.

The most we will pay in total for all loss in any one occurrence for coverages described in Paragraphs C.(1), (6), and (7) is the Blanket Coverage Limit as provided in Section X of this endorsement.

**D. Fine Arts**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY**

**COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Fine Arts**

- (1) We will pay for direct "loss" to paintings, etchings, pictures, tapestries, art glass windows, and other bona fide works of art of rarity, historical value, or artistic merit. The direct "loss" must be caused by or result from a Covered Cause of Loss.
- (2) **SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

We will determine the value of Covered Property in the event of direct "loss" at the market value at the time of "loss".

The most we will pay for loss in any one occurrence under this Coverage Extension is \$25,000.

**E. Ordinance or Law**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under Paragraph (a) **Loss of Use of Undamaged Parts of the Building** is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure sustaining direct "loss". This Coverage is included within, and not in addition to, that applicable Limit of Insurance.

The most we will pay for all loss in any one occurrence under Paragraph (b) **Demolition Costs** and Paragraph (c) **Increased Costs of Construction** is the Blanket Coverage Limit as provided in Section X of this endorsement per building or structure sustaining direct "loss". This is an additional Limit of Insurance applicable to the building or structure sustaining loss.

**F. Pollutant Clean Up and Removal**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, h. Pollutant Clean Up and Removal**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for each "premises" under this Pollutant Clean Up and Removal Coverage Extension is \$25,000. This limit includes the sum of all covered expenses arising out of

Covered Causes of Loss during each "coverage term". This is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

**G. Underground Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Underground Property**

- (1) We will pay for direct "loss" resulting from any of the Covered Causes of Loss to:

- (a) Foundations of covered buildings, structures, machinery or boilers, if their foundations are below the lowest basement floor or the surface of the ground if there is no basement; and
- (b) Underground pipes, flues or drains if they are attached to Covered Property.

- (2) **SECTION A. COVERAGE, 2. Property Not Covered, g. Foundations** is deleted in its entirety and replaced by the following:

**g. Foundations**

Foundations of buildings, structures, machinery or boilers, if their foundations are below:

- (1) The lowest basement floor; or
- (2) The surface of the ground, if there is no basement;

except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

- (3) **SECTION A. COVERAGE, 2. Property Not Covered, n. Underground Pipes, Flues or Drains** is deleted in its entirety and replaced by the following:

**n. Underground Pipes, Flues or Drains**

Underground pipes, flues or drains, except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

The most we will pay for loss in any one occurrence is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure incurring direct "loss". This Coverage is included within, and

not in addition to, that applicable Limit of Insurance.

#### H. Valuable Papers and Records

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the second paragraph in **(4)(b) Away From Your Premises** is deleted in its entirety and replaced by the following:

This limit of insurance for **Away From Your Premises** coverage is not included within the Blanket Coverage Limit and is separate and in addition to the Blanket Coverage Limit.

2. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Valuable Papers and Records Coverage Extension is the Blanket Coverage Limit as provided in Section X of this endorsement.

#### I. Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems

For the purposes of this endorsement only:

- (1) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water**, Paragraph 3) is deleted in its entirety and replaced by the following:

- 3) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**, water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; or

- (2) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water**, Paragraph 5) is deleted in its entirety and replaced by the following:

- 5) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**, waterborne

material carried or otherwise moved by any of the water referred to in Paragraph 1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

- (3) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

#### **Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will pay for "loss" caused by or resulting from water or waterborne material that has entered and then backs up through and is discharged from a sewer, drain (including roof drains and related fixtures), septic system, sump pump system or related equipment.

- (4) **SECTION C. DEDUCTIBLE** is amended by adding the following:

#### **Water Backup Deductible**

We will not pay for "loss" in any one occurrence caused by or resulting from water or waterborne material which backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment, until the amount of "loss" exceeds the Deductible shown in the Declarations, or \$1,000, whichever is greater. We will then pay the amount of "loss" in excess of that deductible, up to the applicable limit indicated in Paragraph (5) of this Coverage Extension.

- (5) The most we will pay for loss in any one occurrence under this Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems Coverage Extension is \$10,000, including any "Business Income", "Rental Value" and Extra Expense loss.

#### J. Fire Department Service Charge

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, c. Fire Department Service Charge** is deleted in its entirety and replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 in any one occurrence for Fire Department Service Charge for your liability, which is determined prior to direct "loss", for fire department service charges:

- (1) Assumed by contract or agreement; or

**(2) Required by local ordinance.**

This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** and applies per location. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

**K. Signs**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, n. Signs**, the second paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Sign Coverage Extension is \$10,000.

**L. Outdoor Property**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, k. Outdoor Property**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Outdoor Property Coverage Extension is \$25,000, but not more than \$1,000 for any one tree, shrub, or plant.

**M. Personal Effects**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, l. Personal Effects**, the last two paragraphs are deleted in their entirety and replaced by the following:

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Personal Effects Coverage Extension has a \$1,000 per occurrence limitation for direct "loss" by theft.

The most we will pay for loss in any one occurrence under this Personal Effects Coverage Extension is \$25,000.

**N. Tenant Move Back Expenses**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Tenant Move Back Expenses**

(1) We will reimburse you for expenses you pay for Covered Move Back Costs of your

tenants who temporarily vacate a portion of the building at a "premises". The vacancy must have occurred while the portion of the building rented by your tenant could not be occupied due to direct "loss" to your Covered Property caused by or resulting from a Covered Cause of Loss during the "coverage term". The move back must be completed within 60 calendar days after the portion of the building rented by your tenant has been repaired or rebuilt and is ready for occupancy.

(2) Covered Move Back Costs means only documented, reasonable and necessary costs of:

- (a) Packing, insuring and transporting business personal property;
- (b) Re-establishing electric utility and communication services, less refunds from discontinued services;
- (c) Assembling and setting up fixtures and equipment; or
- (d) Unpacking and re-shelving stock and supplies.

(3) If your tenants have valid and collectible insurance for Covered Move Back Costs, we will pay only for the amount of Covered Move Back Costs in excess of the amount payable from such other insurance.

The most we will pay for loss in any one occurrence under this Tenant Move Back Expenses Coverage Extension is the Blanket Coverage Limit as provided in Section X of this endorsement.

**O. Peak Season**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Peak Season**

1. In the event that the limit of insurance stated in the Declarations for Business Personal Property is insufficient to fully insure a covered "loss" due to a Peak Season Demand for your inventory, we will pay up to the Blanket Coverage Limit as provided in Section X of this endorsement.
2. Peak Season Demand means a temporary (90 consecutive days or less) increase in your inventory to meet a seasonal demand as verified by:
  - a. Your previous inventory records for that historical period of time; and
  - b. Custom and practice in your industry.

**P. Personal Property of Others**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Personal Property of Others**

In the event that the limit of insurance stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for Business Personal Property is insufficient to fully insure a covered "loss" to both your Covered Personal Property and property described in Paragraph (8) of **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**, we will pay up to the Blanket Coverage Limit in any one occurrence as provided in Section X of this endorsement for such property.

**Q. Debris Removal**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

In the event that the limits of insurance stated in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** are insufficient to fully cover a "loss" insured thereunder, we will pay up to the Blanket Coverage Limit in any one occurrence as provided in Section X of this endorsement.

**R. Fire Protection Equipment Recharge**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, d. Fire Protection Equipment Recharge**, the last paragraph is deleted and replaced by the following:

The most we will pay for loss in any one occurrence under this Fire Protection Equipment Recharge Coverage Extension is \$50,000. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

**S. Paved Surfaces**

For the purposes of this endorsement only:

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered, i. Paved Surfaces** is deleted in its entirety and replaced by the following:

Except as provided in **4. Additional Coverages, Paved Surfaces**, bridges, road-

ways, walks, patios or other paved surfaces.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

**Paved Surfaces**

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to bridges, roadways, walks, patios or other paved surfaces.

The most we will pay for loss in any one occurrence under this Paved Surfaces Coverage Extension is \$25,000.

**T. Temperature Change**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Temperature Change****(1) Coverage**

- (a) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property** is deleted in its entirety and replaced by the following:

Covered Property means "perishable stock" located in a building at a "premises".

- (b) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is deleted in its entirety and replaced by the following:

Covered Property does not include:

**"Perishable Stock" Not in Buildings**

"Perishable stock" located on buildings, in or on vehicles, or otherwise in the open.

**(2) Covered Causes of Loss**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

Covered Causes of Loss means direct "loss" from "temperature change" to Covered Property unless "loss" is

excluded or limited in this Coverage Part.

**(3) Excluded Causes of Loss**

**(a) BUILDING AND PERSONAL PROPERTY COVERAGE FORM SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (1) Exclusion (1)(b) Earth Movement;**
- (2) Exclusion (1)(c) Governmental Action;**
- (3) Exclusion (1)(d) Nuclear Hazard;**
- (4) Exclusion (1)(f) War and Military Action;**
- (5) Exclusion (1)(g) Water; or**
- (6) Exclusion (1)(h) "Fungi", Wet Rot, Dry Rot, and Bacteria.**

**(b)** In addition to Paragraph **(3)(a)** of this Coverage Extension, we will not pay for direct "loss" caused by or resulting from any of the following:

- 1)** The disconnecting of any heating, refrigerating, cooling or humidity control system from the source of its power;
- 2)** The deactivation of electrical power caused by the manipulation of any switch or other device (on "premises") used to control the flow of electrical power or current;
- 3)** The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - a)** Lack of fuel; or
  - b)** Governmental order;
- 4)** The inability of a power source at the "premises" to provide sufficient power due to the lack of generating capacity to meet demand; or
- 5)** Breaking of any glass that is a permanent part of any heating, refrigeration, cooling or humidity control unit.

**(4) Limits of Insurance**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION B. LIMITS**

**OF INSURANCE** is deleted in its entirety and replaced by the following:

**SECTION B. LIMITS OF INSURANCE**

- a.** The most we will pay for all direct "loss" in any one occurrence under this Temperature Change Coverage Extension is \$5,000, including any "Business Income", "Rental Value", and Extra Expense loss.
- b.** The Limit of Insurance for Temperature Change is not an additional amount of insurance and will not increase the Limit of Insurance shown in the Declarations for Business Personal Property or "stock".

**(5) Duties in the Event of Loss**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 3. Duties in the Event of Loss or Damage, a.(2)** is deleted in its entirety and replaced by the following:

- (2)** All claims under this Temperature Change Coverage Extension should be reported immediately upon occurrence. Include a description of the damaged "perishable stock". All damaged "perishable stock" must be available for inspection and verification.

**(6) Coinsurance**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to the coverage provided by this endorsement.

**(7) Definitions**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

"Perishable stock" means personal property:

- a.** Preserved and maintained under controlled conditions; and
- b.** Susceptible to "loss" if the controlled conditions change.

"Temperature change" means:

- a.** The fluctuation or total interruption of electrical power, either on or off "premises", resulting from conditions beyond your control.
- b.** Mechanical breakdown or mechanical failure of any refrigerating or cooling

apparatus or equipment (on "premises") including the blowing of any fuse, fuses, or circuit breakers, only while such equipment is at the "premises".

- c. Contamination by refrigerant.
- d. Damage due to the freezing of "perishable stock" that is not meant to be frozen resulting from the faulty operation of any stationary heating plant, when such "perishable stock" is contained within a building at the "premises".

#### U. Nonowned Building Damage

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, j. Nonowned Building Damage** is deleted in its entirety and replaced by the following:

If you are a tenant, you may extend the insurance provided by this Coverage Part for Business Personal Property to direct "loss" that occurs to the building at a "premises" you occupy but do not own.

This Coverage Extension applies only if your lease makes you legally responsible for that part of the building sustaining "loss".

This Coverage Extension does not apply to:

- (1) Glass, including lettering and ornamentation, and also necessary:
  - (a) Repair or replacement of encasing frames or alarm tapes; and
  - (b) Expenses incurred to board up openings or remove or replace obstruction.
- (2) Building materials and equipment removed from the "premises".

The most we will pay for loss in any one occurrence under this Nonowned Building Damage Coverage Extension is:

- (1) The actual "loss" sustained up to the applicable Limit of Insurance for Business Personal Property for direct "loss" caused by theft, burglary or robbery, or the attempt of the foregoing; or
- (2) The applicable Limit of Insurance for Business Personal Property or \$25,000; whichever is less, for "loss" caused by any

other Covered Cause of Loss, not referenced in Paragraph U.(1) above.

#### V. Inflation Guard

For the purposes of this endorsement only, the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** is amended to show 4% for Inflation Guard in the OPTIONAL COVERAGES - Inflation Guard column for each scheduled Building Property. If an Inflation Guard percentage is already indicated on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for that Building property, this percentage is excess of that Inflation Guard percentage for that Building property.

#### W. Brands and Labels

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

##### Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:

- (1) Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.

The most we will pay for loss in any one occurrence under this Brands and Labels Coverage Extension is \$25,000.

#### X. Blanket Coverage Limit

We will pay up to the Limit of Insurance stated in the Schedule of this endorsement in total in any one occurrence for the sum of all "loss" insured under coverages provided in this endorsement which are subject to the Blanket Coverage Limit. You may apportion this Limit among these coverages as you choose.



**CinciPlus™**

# COMMERCIAL PROPERTY EXPANDED COVERAGE (XC™) PLUS ENDORSEMENT SUMMARY OF COVERAGE LIMITS

This is a summary of the Coverages and the Limits of Insurance provided by the Commercial Property Expanded Coverage (XC™) Plus Endorsement, **FA 250**, in combination with the Commercial Property Coverage Form, **FM101**, which is included in this policy. **No coverage is provided by this summary.** Refer to endorsement **FA 250** and the Commercial Property Coverage Form, **FM 101**, to determine the scope of your insurance protection.

<b><u>Blanket Coverages:</u></b>	<b><u>Blanket Coverage Limit:</u></b>	<b>Page No. (FA 250):</b>
	<b>\$ 150,000</b> in total for all loss arising from all Blanket Coverages arising from a single occurrence, except as noted otherwise in the form.	
Accounts Receivable		1
Debris Removal		8
Electronic Data Processing Property (EDP):		3
Duplicate and Backup Electronic Data	\$2,000 Outside of the Blanket Coverage Limit	3
Newly Acquired EDP	\$10,000 Outside of the Blanket Coverage Limit	4
In Transit or Away From Premises	\$10,000 Outside of the Blanket Coverage Limit	4
Worldwide Laptop Coverage		4
Ordinance or Law (Increased Construction Costs and Demolition)		6
Peak Season		8
Personal Property of Others		8
Tenant Move Back Expenses		7
Valuable Papers and Records		6

<b><u>Other Coverages</u></b> (not subject to Blanket Coverage Limit):	<b><u>Limit of Insurance:</u></b>	<b>Page No. (FA 250):</b>
Brands and Labels	\$25,000	11
Business Income and Extra Expense:	\$100,000	1
Business Income From Dependent Properties	\$5,000 (sub-limit, subject to a 24 hour deductible)	1
Interruption of Computer Operations	\$25,000 (sub-limit, subject to a 24 hour deductible)	2

<b><u>Other Coverages</u></b> (not subject to Blanket Coverage Limit):	<b><u>Limit of Insurance:</u></b>	<b>Page No. (FA 250):</b>
Fine Arts	\$25,000	5
Fire Department Service Charge	\$25,000	7
Fire Protection Equipment Recharge	\$50,000	8
Inflation Guard	4% on all Building Property referenced in the Declarations	11
Non-Owned Building Damage:		10
Loss caused by theft, burglary or robbery	Up to the Business Personal Property (BPP) Limit of Insurance	10
Loss by any other Covered Cause of Loss	\$25,000 or the BPP Limit of Insurance (whichever is less)	10
Ordinance or Law (other than Increased Construction Costs and Demolition)	Subject to the Building Limit of Insurance	6
Outdoor Property	\$25,000 (\$1,000 for any one tree, shrub or plant)	7
Paved Surfaces	\$20,000	9
Personal Effects	\$25,000 (\$1,000 for loss by theft)	7
Pollutant Clean Up and Removal	\$25,000	6
Signs	\$10,000	7
Temperature Change	\$5,000	9
Underground Property	Subject to the Building Limit of Insurance	6
Water Backup from Sewers, Drains or Sumps	\$10,000	7

LIABILITY

**THE CINCINNATI INSURANCE COMPANY**  
**A STOCK INSURANCE COMPANY**  
**COMMERCIAL GENERAL LIABILITY COVERAGE**  
**PART DECLARATIONS**

Attached to and forming part of POLICY NUMBER: **CPP 107 57 01** Effective Date: **05-01-2018**

Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS**

**LIMITS OF INSURANCE**

EACH OCCURRENCE LIMIT	\$ <b>1,000,000</b>	
GENERAL AGGREGATE LIMIT	\$ <b>2,000,000</b>	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$ <b>2,000,000</b>	
PERSONAL & ADVERTISING INJURY LIMIT	\$ <b>1,000,000</b>	ANY ONE PERSON OR ORGANIZATION
DAMAGE TO PREMISES RENTED TO YOU LIMIT		ANY ONE
\$100,000 limit unless otherwise indicated herein:	\$ <b>REFER TO GA210</b>	PREMISES
MEDICAL EXPENSE LIMIT		
\$5,000 limit unless otherwise indicated herein:	\$ <b>REFER TO GA210</b>	ANYONEPERSON

CLASSIFICATION	CODE NO.	PREMIUM BASE A - Area B - Payroll C - Gross Sales D - Units E - Other	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
REAL ESTATE AGENTS INCL PROD AND/OR COMP OP LOC 1 (IN)	47050	B 1,472,121		1.201		1,768
REAL ESTATE PROP MANAGED INCL PROD AND/OR COMP OP LOC 1 (IN) LOC 103(IN)	47052	C 2,088,067 C 4,170		3.459 3.459		7,223 14
BUILDINGS OR PREMISES INCL PROD AND/OR COMP OP LOC 1 (IN) LOC 3 (IN) LOC 4 (IN) LOC 7 (IN) LOC 8 (IN) LOC 9 (IN) LOC 10(IN) LOC 11(IN) LOC 12(IN) LOC 15(IN)	61212	A 3,356 A 10,447 A 4,000 A 9,100 A 3,000 A 6,000 A 14,212 A 5,000 A 10,000 A 5,000		31.006 32.017 32.017 32.017 32.017 32.017 32.017 32.017 32.017 31.006		104 334 128 291 96 192 455 160 320 155

The General Liability Coverage Part is subject to an annual minimum premium.

TOTAL ANNUAL PREMIUM **\$ 53,189**

**FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:**  
**REFER TO GA901**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL GENERAL LIABILITY  
SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**FORMS AND/OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:**

GA901	01/92	GA406	01/92	GA101	12/04	CG2625	04/05
CG2650	12/98	GA2160H	03/10	GA4150MO	02/02	GA42051L	10/01
GA4287MO	08/08	GA4339KS	07/10	CG2004	11/85	CG2270	11/85
GA4250	11/05	GA210	02/07	CG0123	03/97	CG2018	11/85
CG2301	12/04	GA3019IN	02/14	GA3024	05/14	GA323	10/01
GA354	10/01	GA382	03/02	GA4115	10/01		

# COMMERCIAL GENERAL LIABILITY SCHEDULE (SUPPLEMENTAL)

Attached to and forming part of POLICY NUMBER: CPP 107 57 01Effective Date: 05-01-2018Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS**

CLASSIFICATION	CODE NO.	PREMIUM BASIS A - Area B - Payroll C - Gross Sales D - Units E - Other	RATE		ADVANCE PREMIUM	
			Products/ Completed Operations	ALL OTHER	Products/ Completed Operations	ALL OTHER
<b>BUILDINGS OR PREMISES INCL PROD AND/OR COMP OP (CONTINUED)</b>	<b>61212</b>					
LOC 23(IN)		A 4,000		32.017		128
LOC 25(IN)		A 11,555		31.006		358
LOC 26(IN)		A 153,600		31.006		4,763
LOC 27(IN)		A 5,000		31.006		155
LOC 29(IN)		A 4,000		31.006		124
LOC 30(IN)		A 7,544		31.006		234
LOC 31(IN)		A 2,212		31.006		69
LOC 33(IN)		A 10,731		31.006		333
LOC 34(IN)		A 10,200		31.006		316
LOC 38(IN)		A 2,400		31.006		74
LOC 40(IN)		A 6,800		31.006		211
LOC 42(IN)		A 2,750		31.006		85
LOC 45(IN)		A 6,600		31.006		205
LOC 46(IN)		A 5,973		31.006		185
LOC 57(IN)		A 1,732		32.017		55
LOC 58(IN)		A 8,400		32.017		269
LOC 59(IN)		A 2,400		32.017		77
LOC 60(IN)		A 10,000		32.017		320
LOC 67		A 750		31.006		23
		A 33,202		31.006		1,029
LOC 69(IN)		A 3,600		31.006		112
LOC 70(KY)		A 5,345		18.637		100
LOC 77(IN)		A 7,950		31.006		246
LOC 83(IN)		A 7,913		32.017		253
LOC 84(IN)		A 7,913		32.017		253
LOC 107(IN)		A 10,920		32.017		350
LOC 108(NC)		A 1,900		7.062		13
LOC 112(AZ)		A 2,203		24.665		54
LOC 114(KY)		A 6,868		18.637		128
LOC 118(IN)		A 1,371		31.006		43
LOC 119(AZ)		A 28,155		24.665		694
LOC 120(AZ)		A 8,361		24.665		206
LOC 121(AZ)		A 12,795		24.665		316
LOC 122(AZ)		A 8,406		24.665		207
LOC 124(AZ)		A 6,300		24.665		155
LOC 125(AZ)		A 11,061		24.665		273
		A 4,201		24.665		104
LOC 126(AZ)		A 21,165		24.665		522
LOC 127(AZ)		A 4,882		24.665		120
LOC 128(AZ)		A 4,853		24.665		120
LOC 132(AZ)		A 4,201		24.665		104
LOC 143(NC)		A 56,100		7.062		396
LOC 147(AZ)		A 121,829		24.665		3,005
LOC 148(IN)		A 32,940		31.006		1,021
LOC 149(NC)		A 34,241		7.062		242
LOC 150((IN)		A 6,500		32.017		208
LOC 151(KS)		A 17,999		24.129		434
LOC 152(NC)		A 18,066		7.062		128
LOC 154(AL)		A 7,899		28.162		222
LOC 156(AZ)		A 8,604		29.640		255
LOC 157(AZ)		A 3,500		24.665		86
LOC 158(IL)		A 9,920		37.514		372
LOC 162(KY)		A 12,000		18.637		224
LOC 163(KY)		A 55,000		18.637		1,025
LOC 166(AZ)		A 4,165		24.665		103
LOC 167(AZ)		A 5,042		24.665		124

# COMMERCIAL GENERAL LIABILITY SCHEDULE (SUPPLEMENTAL)

Attached to and forming part of POLICY NUMBER: CPP 107 57 01Effective Date: 05-01-2018Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS**

CLASSIFICATION	CODE NO.	PREMIUM BASIS A - Area B - Payroll C - Gross Sales D - Units E - Other	RATE		ADVANCE PREMIUM	
			Products/ Completed Operations	ALL OTHER	Products/ Completed Operations	ALL OTHER
BLDGS. OR PREM.-OFFICE INCL PROD AND/OR COMP OP LOC 1 (IN) LOC 11(AZ)	61224	A 18,488 A 1,591		40.190 48.915		743 78
PARKING-PUBLIC INCL PROD AND/OR COMP OP LOC 5 (IN) LOC 13(IN) LOC 28(IN) LOC 56(IN) LOC 162(KY) LOC 164(KY)	46607	A 43,000 A 27,000 A 32,000 A 43,500 A 1 A 1		12.083 12.083 12.810 12.083 11.262 11.262		520 326 410 526 1 1
SHOPPING CENTERS INCL PROD AND/OR COMP OP LOC 5 (IN) LOC 13(IN) LOC 14(IN) LOC 28(IN) LOC 56(IN) LOC 61(OH) LOC 68(KY)	67635	A 34,220 A 14,145 A 6,231 A 24,900 A 33,144 A 11,200 A 7,882		41.344 41.344 34.323 34.323 41.344 18.007 27.779		1,415 585 214 855 1,370 202 3,289
REAL ESTATE DEVELOPMENT INCL PROD AND/OR COMP OP LOC 10(IN) LOC 21(IL) LOC 24(IN) LOC 39(IN)	47051	E 1 ACRE E 1 ACRE E 1 ACRE E 2 ACRES E 8 ACRES E 8 ACRES E 2 ACRES E 8 ACRES E 4 ACRES E 2 ACRES E 8 ACRES E 15 ACRES E 25 ACRES E 10 ACRES		44.977 53.587 44.977 44.977 22.485 11.993 44.977 22.485 11.993 44.977 22.485 11.993 7.497 5.547		45 54 45 90 180 96 90 180 48 90 180 180 187 55
LOC 50(IN)		E 2 ACRES E 2 ACRES E 1 ACRE E 2 ACRES E 8 ACRES E 6 ACRES E 2 ACRES E 8 ACRES E 2 ACRES E 2 ACRES E 5 ACRES E 2 ACRES E 2 ACRES E 2 ACRES E 8 ACRES E 3 ACRES E 2 ACRES E 7 ACRES		44.977 43.976 21.988 4.496 2.243 1.350 4.496 2.243 1.350 4.496 2.243 87.830 43.9009 52.347 26.178 13.960 4.496 2.243		90 88 22 9 18 8 9 18 3 9 11 176 88 105 209 42 9 16
LOC 73(IN)						
LOC 74(IN)						
LOC 86(NC)						
LOC 111(CO)						
LOC 129(CO)						
LOC 130(CO)						
LOC 134(AZ)						
LOC 135(MO)						
LOC 137(CO)						

# COMMERCIAL GENERAL LIABILITY SCHEDULE (SUPPLEMENTAL)

Attached to and forming part of POLICY NUMBER: CPP 107 57 01Effective Date: 05-01-2018Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS**

CLASSIFICATION	CODE NO.	PREMIUM BASIS A - Area B - Payroll C - Gross Sales D - Units E - Other	RATE		ADVANCE PREMIUM	
			Products/ Completed Operations	ALL OTHER	Products/ Completed Operations	ALL OTHER
REAL ESTATE DEVELOPMENT INCL PROD AND/OR COMP OP (CONTINUED) LOC 139(IN)	47051	E 2 ACRES		44.977		90
		E 8 ACRES		22.485		180
		E 15 ACRES		11.993		180
		E 4 ACRES		7.520		30
LOC 146(IN)		E 2 ACRES		44.977		90
		E 8 ACRES		22.485		180
		E 8 ACRES		11.993		96
LOC 153(MO)		E 2 ACRES		52.347		105
		E 8 ACRES		26.178		209
		E 11 ACRES		13.960		154
LOC 155(AZ)		E 2 ACRES		87.830		176
		E 8 ACRES		43.909		351
		E 7 ACRES		23.420		164
LOC 159(IN)		E 1 ACRE		44.977		45
LOC 161(AZ)		E 1 ACRE		87.830		88
LOC 165(KY)		E 1 ACRE		48.360		48
LOC 169(AL)		E 2 ACRES		48.215		96
		E 6 ACRES		24.103		145
LOC 170(CO)		E 2 ACRES		4.496		9
		E 8 ACRES		2.243		18
		E 1 ACRE		1.350		1
BUILDINGS OR PREMISES INCL PROD AND/OR COMP OP LOC 16(IL) LOC 35(IN) LOC 36(IN)	61217	A 500		33.492		17
		A 3,880		24.576		95
		A 3,440		24.576		85
LAND INCL PROD AND/OR COMP OP LOC 37(IN) LOC 63(OH) LOC 64(OH) LOC 86(NC)	45539	E 1 ACRE		4.221		4
		E 1 ACRE		3.285		3
		E 1 ACRE		3.285		3
		E 3 ACRES		2.827		8
WAREHOUSES-PRIVATE INCL PROD AND/OR COMP OP LOC 43(IN)	68707	A 16,500		21.724		358
VACANT LAND INCL PROD AND/OR COMP OP LOC 18(IL) LOC 19(IL) LOC 44(IN) LOC 48(IN) LOC 49(IN) LOC 88(IL)	49451	E 1 ACRE		2.262		2
		E 1 ACRE		2.262		2
		E 3 ACRES		1.966		6
		E 1 ACRE		1.966		2
		E 1 ACRE		1.966		2
		E 100 ACRES		2.262		226
		E 9 ACRES		.754		7
LAKES OR RESERVOIRS INCL PROD AND/OR COMP OP LOC 73(IN)	45523	E 3 EACH		130.994		393



# COMMERCIAL GENERAL LIABILITY SCHEDULE (SUPPLEMENTAL)

Attached to and forming part of POLICY NUMBER: CPP 107 57 01Effective Date: 05-01-2018Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS**

CLASSIFICATION	CODE NO.	PREMIUM BASIS A - Area B - Payroll C - Gross Sales D - Units E - Other	RATE		ADVANCE PREMIUM	
			Products/ Completed Operations	ALL OTHER	Products/ Completed Operations	ALL OTHER
CONDOMINIUMS-COMMERCIAL INCL PROD AND/OR COMP OP LOC 118(IL)	62000	A 131,500		18.466		2,428
DWELLINGS-ONE-FAMILY INCL PROD AND/OR COMP OP LOC 160(IL)	63010	E 1 EACH		58.520		59
BOAT STORAGE AND MOORAGE INCL PROD AND/OR COMP OP LOC 17(IL)	10105	C 1		5.891		1
FARM - 160 ACRES OR LESS LOC 51(IL)	06519	E 1 EACH		53.63	INCL	54
LOC 52(IL)		E 1 EACH		53.63	INCL	54
LOC 53(IL)		E 1 EACH		53.63	INCL	54
LOC 54(IL)		E 1 EACH		53.63	INCL	54
LOC 116(IL)		E 1 EACH		53.63	INCL	54
LOC 168(IL)		E 1 EACH		53.63	INC	54
FARM - 160+ TO 500 ACRES LOC 55(IL)	06619	E 1 EACH		70.28	INCL	70
FARM - 160 ACRES OR LESS LOC 115(IL)	03519	E 1 EACH		53.63	INCL	54
LOC 117(IL)		E 1 EACH		53.63	INCL	54
VACANT BLDG-NOT FACTORIES INCL PROD AND/OR COMP OP LOC 144(UT)	68606	A 4,862		10,860		53
LOC 145(UT)		A 4,862		10.860		53
BROADENED COVERAGE	20291			2.5%		750

## COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERAGES

#### COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under

#### SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
  - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and
  - (3) Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, you did not know, per Paragraph 1.d. below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part.
- c. "Bodily injury" or "property damage" which:
  - (1) Occurs during the "coverage term"; and
  - (2) Was not, prior to the "coverage term", known by you, per Paragraph 1.d. below, to have occurred;

includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
- d. You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":
  - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
  - (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
  - (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
  - (5) Becomes aware, or reasonably should have become aware, of a

condition from which "bodily injury" or "property damage" is substantially certain to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. When a claim for such "bodily injury" or "property damage" is made, we will defend that claim provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

### d. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured sustained in the "workplace";
- (2) An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

### f. Pollutant

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, Paragraph (a) does not apply to:

- 1) "Bodily injury" to any person injured while on any premises, site or location owned or occupied by, or rented or loaned to, you provided:

- a) The injury is caused by the inadequate ventilation of vapors;
- b) The person injured is first exposed to such vapors during the policy period; and
- c) Within 30 days of such first exposure, the person injured is clinically diagnosed or treated by a physician for the medical condition caused by the exposure to such vapors. However, Paragraph c) does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

This exception 1) shall apply only to Named Insureds; we shall have no duty to defend or pay damages for any person or organization that is not a Named Insured. However, this paragraph does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

For the purpose of the exception granted in Paragraph 1) only, vapors means any gaseous or airborne irritant or airborne contaminant, including smoke, fumes, vapor or soot, but excluding asbestos, which is discharged, dispersed, emitted, released or escapes from materials, machinery or equipment used in the service or maintenance of the premises. Vapors does not mean any gaseous or

airborne irritants or contaminants used in a manufacturing process or which is the product or by-product of any manufacturing process;

- 2) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - 1) Any insured; or
  - 2) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, Paragraph (d) does not apply to:
  - 1) "Bodily injury" or "property damage" arising out of the discharge, dispersal, seepage, migration, release, es-

cape or emission of fuels, lubricants or other operating fluids, or exhaust gases, which are needed to perform, or are the result of, the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted with the intent to cause "bodily injury" or "property damage" or with the knowledge that "bodily injury" or "property damage" is substantially certain to occur, or if such fuels, lubricants or other operating fluids, or exhaust gases, are brought on or to the premises, site or location with such intent to escape, seep or migrate, or be discharged, dispersed, released or emitted as part of the operations being performed by such insured, contractor or subcontractor;

- 2) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the op-

erations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, Paragraphs (2)(a) and (b) do not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

#### **g. Aircraft, Auto or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

#### **h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

#### **i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by

governmental authority in hindering or defending against any of these.

#### **j. Damage to Property**

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of an insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire or explosion) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days, for which the amount we will pay is limited to the Damage To Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

#### **k. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**I. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall of Products, Work or Impaired Property**

Any liability or damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal and Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Asbestos**

"Bodily injury" or "property damage" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**q. Employment-Related Practices**

"Bodily injury" to:

(1) A person arising out of any:

- (a) Refusal to employ that person;
- (b) Termination of that person's employment; or
- (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**r. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury" or "property damage" is substantially certain to occur.

**s. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

**t. Distribution of Material in Violation of Statutes**

Bodily injury or property damage arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **q.** do not apply to "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the Damage to Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

**COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**.

- b. This insurance applies to "personal and advertising injury" only if:
  - (1) The "personal and advertising injury" is caused by an offense arising out of your business; and
  - (2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period; and
  - (3) Prior to the "coverage term" in which the "personal and advertising injury" offense is committed, you did not know, per Paragraph 1.d. below, that the offense had been committed or had begun to be committed, in whole or in part.
- c. "Personal and advertising injury" caused by an offense which:
  - (1) Was committed during the "coverage term"; and



- (2) Was not, prior to the "coverage term", known by you, per Paragraph 1.d. below, to have been committed;

includes any continuation, change or resumption of that offense after the end of the "coverage term" in which it first became known by you.

- d. You will be deemed to know that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means, other than as described in (3) above, that the offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

## 2. Exclusions

This insurance does not apply to:

### a. Knowing Violation of Rights of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### b. Material Published With Knowledge of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

### c. Material Published Prior to Coverage Term

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the later of the following:

- (1) The inception of this Coverage Part; or
- (2) The "coverage term" in which insurance coverage is sought.

### d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

### e. Contractual Liability

"Personal and advertising injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "personal and advertising injury" is caused by or arises out of an offense committed subsequent to the execution of the contract or agreement. When a claim for such "personal and advertising injury" is made, we will defend that claim, provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

### f. Breach of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

### g. Quality or Performance of Goods - Failure to Conform to Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

### h. Wrong Description of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

### i. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, pat-

ent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds in Media and Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 17. a., b. and c. of "personal and advertising injury" under **SECTION V - DEFINITIONS**.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet is not, by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board any insured hosts, owns, or over which any insured exercises control.

**l. Unauthorized Use of Another's Name or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Employment Related Practices**

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation

or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**n. Pollutant**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.

**o. Pollutant-Related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**p. Asbestos**

"Personal and advertising injury" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**q. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that a "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part, prior to the "coverage term" in which such offense

was committed or began to be committed.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that a "personal and advertising injury" offense has been committed or has begun to be committed at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that the "personal and advertising injury" offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

**r. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**s. Distribution of Material in Violation of Statutes**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**COVERAGE C. MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury on Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers' Compensation and Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletic Activities**

To any person injured while officiating, coaching, practicing for, instructing or participating in any physical exercises or games, sports, or athletic contests or exhibitions of an athletic or sports nature.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**.

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

5. All costs taxed against the insured in the "suit".
6. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

**SECTION II - WHO IS AN INSURED**

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts

within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by; or

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by,

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. a. The General Aggregate Limit is the most we will pay for the sum of:

(1) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

(2) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

**(3) Damages under COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY.**

This General Aggregate Limit will not apply if either the Location General Aggregate Limit of Insurance, Paragraph **2.b.**, or the Construction Project General Aggregate Limit of Insurance, Paragraph **2.c.** applies.

- b.** A separate Location General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each location owned by, or rented or leased to you and is the most we will pay for the sum of:

- (1) Damages under COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

- (2) Medical expenses under COVERAGE C. MEDICAL PAYMENTS**,

which can be attributed to operations at only a single location owned by, or rented or leased to you.

- c.** A separate Construction Project General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each construction project and is the most we will pay for the sum of:

- (1) Damages under COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

- (2) Medical expenses under COVERAGE C. MEDICAL PAYMENTS**;

which can be attributed only to ongoing operations and only at a single construction project.

- d.** Only for the purpose of determining which General Aggregate Limit of Insurance, **2.a.**, **2.b.**, or **2.c.**, applies:

- (1)** Location means premises involving the same or connecting lots, or premises, whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

- (2)** Construction project means a location you do not own, rent or lease

where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or organizations, no matter how often or under how many different contracts, will be deemed to be a single construction project.

- 3.** The Products-Completed Operations Aggregate Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

- 4.** Subject to **2.a.** above, the Personal and Advertising Injury Limit is the most we will pay under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

- 5.** Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a.** Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; and

- b.** Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

- 6.** Subject to **5.** above, the Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire or explosion, while rented to you or temporarily occupied by you with permission of the owner.

- 7.** Subject to **5.** above, the Medical Expense Limit is the most we will pay under **COVERAGE C. MEDICAL PAYMENTS** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

**SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS****1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

**2. Duties in the Event of Occurrence, Offense, Claim or Suit**

a. You must see to it that we are notified as soon as practicable of an "occurrence" or a "personal and advertising injury" offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**4. Liberalization**

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

**5. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** of this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

**b. Excess Insurance**

This insurance is excess over:

(1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar insurance for "your work";
- (b) That is Fire or Explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft.**

(2) Any other primary insurance available to the insured covering liability for damages arising out of the premises or operations, or the products and completed operations, for which the insured has been added as an additional insured by attachment of an endorsement.

(3) Any other insurance:

- (a) Whether primary, excess, contingent or on any other basis, except when such insurance is written specifically to be excess over this insurance; and
- (b) That is a consolidated (wrap-up) insurance program which has been provided by the prime contractor/project manager or owner of the consolidated project in which you are involved.

When this insurance is excess, we will have no duty under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

#### c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### 6. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If:

- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.



**7. Representations**

By accepting this Coverage Part, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Part in reliance upon your representations.

**8. Separation of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**9. Transfer of Rights of Recovery Against Others to Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**10. Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Part and any other Coverage Form, Coverage Part or policy issued to you by us or any company affiliated with us apply to the same "occurrence" or "personal and advertising injury" offense, the aggregate maximum limit of insurance under all the Coverage Forms, Coverage Parts or policies shall not exceed the highest applicable limit of insurance under any one Coverage Form, Coverage Part or policy. This condition does not apply to any Coverage Form, Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

**11. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast, telecast or published to the general pub-

lic or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

**2. "Authorized representative" means:**

- a. If you are designated in the Declarations as:
  - (1) An individual, you and your spouse are "authorized representatives".
  - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
  - (3) A limited liability company, your members and your managers are "authorized representatives".
  - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".
  - (5) A trust, your trustees are "authorized representatives".
- b. Your "employees":
  - (1) Assigned to manage your insurance program; or
  - (2) Responsible for giving or receiving notice of an "occurrence", "personal and advertising injury" offense, claim or "suit";

are also "authorized representatives".

**3. "Auto" means:**

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

4. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in **a.** above;
    - (2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication,

provided the insured's responsibility to pay damages is determined in a "suit" on

the merits, in the territory described in **a.** above or in a settlement to which we agree.

7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

  - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities;
- (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materi-

als; market research; public relations and new product development;

- (5) Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;
- (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks; or
- (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered autos.

- 16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 18. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:
  - a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. The insured uses, generates or produces the "pollutant".
- 19. "Products-completed operations hazard":
  - a. Includes all "bodily injury" and "property damage" occurring away from premises

you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
  - (a) When all of the work called for in your contract has been completed; or
  - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or
  - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification, listed in the Declarations or in a schedule, states that products-completed operations are included.

**20. "Property damage" means:**

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

**21. "Suit" means a civil proceeding in which money damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:**

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.

**22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.**

**23. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.**

**24. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".**

**25. "Your product":**

- a. Means:
  - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
    - (a) You;
    - (b) Others trading under your name; or
    - (c) A person or organization whose business or assets you have acquired; and
  - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
  - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

- (2) The providing of or failure to provide warnings or instructions.
  - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
- 26. "Your work":
  - a. Means:
    - (1) Work or operations performed by you or on your behalf; and
    - (2) Materials, parts or equipment furnished in connection with such work or operations.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
    - (2) The providing of or failure to provide warnings or instructions.

## NUCLEAR ENERGY LIABILITY EXCLUSION (Broad Form)

1. The insurance does not apply:

**A.** Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an insured under this Coverage Part is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this Coverage Part not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B.** Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

**C.** Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured, or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by

an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this exclusion:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

**A.** Any "nuclear reactor";

**B.** Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

**C.** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

D. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES - GUARANTY ASSOCIATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY**

Missouri Property and Casualty Insurance Guaranty Association Coverage Limitations

- A.** Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
- B.** The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:
1. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or December thirty-first of the year

next preceding the date the insurer becomes insolvent; provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all its affiliates as calculated on a consolidated basis.

2. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES - MEDICAL PAYMENTS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Paragraph 1.a. of Coverage C. Medical Payments** is replaced with the following:

**1. Insuring Agreement**

- a.** We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within one year of the date of the accident. However, expenses reported to us after one year of the date of the accident will not be denied solely because of the late submission unless such late submission operates to prejudice our rights; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OHIO LIABILITY COVERAGE ENHANCEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The provisions of this endorsement apply only as respects Ohio Liability Coverage afforded hereunder.

- A.** For the purposes of this endorsement only, **SECTION I - COVERAGES** is amended to include the following:

**COVERAGE D. OHIO LIABILITY COVERAGE**

**1. Insuring Agreement**

- a.** We will pay those sums to which this insurance applies that the insured becomes legally obligated to pay as damages because of "bodily injury" sustained by any "employee" of the insured arising out of or in the course of his or her employment by the insured, provided the "employee", at the time of the injury, was covered under a workers compensation policy and subject to a "workers compensation law". We will have the right and duty to defend any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS**.

- b.** This insurance applies to "bodily injury" only if:

- (1) The "bodily injury" is caused by an "occurrence" that takes place in the "coverage territory".

- (2) Except when (3) below applies, the "bodily injury" occurs during the policy period.

- (3) Provided the "bodily injury" is a disease, the "bodily injury" is caused by or aggravated by conditions of employment by you and the injured "employee's" last day of last exposure to the conditions causing or aggravating such "bodily injury" occurs during the policy period.

- c.** The damages we will pay, where recovery is permitted by law, include damages:

- (1) For:

- (a) Which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of injury to your "employee";

- (b) Care and loss of services; and

- (c) Consequential "bodily injury" to a spouse, child, parent, brother or sister of the injured "employee";

provided that these damages are the direct consequence of "bodily injury" that arises out of and in the course of the injured "employee's" employment by you; and

- (2) Because of "bodily injury" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

**2. Exclusions**

This insurance does not apply to:

**a. Contractual Liability**

Liability assumed by you under any contract or agreement;

**b. Punitive Damages**

Multiple, exemplary or punitive damages, including but not limited to any award of attorney fees, costs or interest awarded as a result of an award for multiple, exemplary or punitive damages;

**c. Violation of Laws**

"Bodily injury" suffered or caused by any "employee" while employed in violation of law with your actual knowledge or the actual knowledge of an insured;

**d. Statutory Obligations**

Any obligation of the insured under a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;

**e. Crew Members**

"Bodily injury" to a master or member of the crew of any vessel or any member of the flying crew of any aircraft;

**f. Termination, Coercion or Discrimination**

Damages arising out of coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee", or arising out of other employment or personnel decisions concerning the insured, whether or not accompanied by a "bodily injury";

**g. Intentional Injury**

"Bodily injury" caused by acts committed by or at the direction of an insured with the deliberate intent to injure or with the belief that the injury was substantially certain to occur. As used in this endorsement, substantially certain means that an insured acts with deliberate intent to cause an "employee" to suffer "bodily injury".

**h. War**

"Bodily injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these;

**i. Failure to Comply with Worker's Compensation Law**

Any claim or "bodily injury" with respect to which the insured is:

- (1) Deprived of common law defenses; or
- (2) Otherwise subject to penalty;

because of your failure to secure your obligations or other failure to comply with any "workers compensation law";

**j. Asbestos**

Damages arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**k. Federal Laws**

Any premium, assessment, penalty, fine, benefit, liability or other obligation imposed by or granted pursuant to:

- (1) The Federal Employer's Liability Act (45 USC Section 51-60);
- (2) The Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173);
- (3) The Longshore and Harbor Workers' Compensation Act (33 USC Sections 910-950);
- (4) The Outer Continental Shelf Lands Act (43 USC Section 1331-1356);
- (5) The Defense Base Act (42 USC Sections 1651-1654);
- (6) The Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942);

(7) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872);

(8) Any other workers compensation, unemployment compensation or disability laws or any similar law; or

(9) Any subsequent amendments to the laws listed above;

**I. Violation of Age Laws or Employment of Minors**

"Bodily injury" suffered or caused by any person:

(1) Knowingly employed by you in violation of any law as to age; or

(2) Under the age of 14 years, regardless of any such law.

**3. Supplementary Payments**

The **SUPPLEMENTARY PAYMENTS - COVERAGES A and B** also apply to this insurance.

**B. WHO IS AN INSURED**

For the purposes of this endorsement only, **SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced by the following:

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only

with respect to their duties as trustees.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

**C. LIMITS OF INSURANCE**

For the purposes of this endorsement only, **SECTION III - LIMITS OF INSURANCE** is amended as follows:

Item 5. is deleted in its entirety and replaced by the following:

5. The Each Occurrence Limit is the most we will pay for damages under Coverage D. because of all "bodily injury" arising out of any one "occurrence".

**D. CONDITIONS**

For the purposes of this endorsement only, **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, Items 2. and 5. are deleted in their entirety and replaced by the following:

**2. Duties in the Event of Occurrence, Injury, Claim or Suit**

a. You must see to it that we or our agent are notified as soon as practicable of an "occurrence" or "bodily injury" which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or "bodily injury" took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers re-

ceived in connection with the injury, claim, proceeding or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us and assist us, as we may request, in the investigation or settlement of the claim or "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury to which this insurance may also apply; and
- (5) Do nothing after an injury occurs that would interfere with our right to recover from others.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

#### 5. Other Insurance

- a. Excess - This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis.

We will have no duty to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but will be entitled to the insured's right against all those other insurers.

We will pay the amount of the loss that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Condition and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations.

- b. Method of Sharing - If all other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

#### E. DEFINITIONS

For the purposes of this endorsement only, **SECTION V - DEFINITIONS** is amended as follows:

- 1. Definition **16.** is deleted in its entirety and replaced by the following:

- 16. "Occurrence" means a happening or event or continuous or repeated exposure to conditions which occur during the policy period which result in "bodily injury". All such exposure to substantially the same general conditions shall be deemed one "occurrence".

- 2. The following definition is added:

"Workers compensation law" means the workers compensation law and any occupational disease law of:

- a. The State of Ohio.
- b. Another state if the "employee" is injured as a result of operations which are necessary or incidental to the insured's Ohio operations.

This does not include provisions of any law providing non-occupational disability benefits.

## **MISSOURI CHANGES DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT  
COMMERCIAL GENERAL LIABILITY EXTENDED LIABILITY ENDORSEMENT  
CONTRACTORS' COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT**

It is agreed that Section **C. Coverages**,

1. Employee Benefit Liability Coverage, ~~d.(1)~~**2.b.** Additional Conditions is deleted in its entirety and replaced by the following:
  - b.** If a claim is made or "suit" is brought against any insured, you must see that we are notified as soon as practicable of the claim or "suit".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES - KNOWN INJURY OR DAMAGE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Paragraph d. of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 1. Insuring Agreement** is deleted in its entirety and replaced by the following:

- d.** You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes the "bodily injury" or "property damage";
- (4) Becomes aware by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware of a condition from which "bodily injury" or "property damage" was substantially certain to occur.

- B. SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, r. Additional Insured Prior Knowledge** is deleted in its entirety and replaced by the following:

**r. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, part-

ners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes the "bodily injury" or "property damage";
- (4) Becomes aware by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware of a condition from which "bodily injury" or "property damage" was substantially certain to occur.

- C. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 1. Insuring Agreement** is deleted in its entirety and replaced by the following:

**1. Insuring Agreement**

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I -**



**COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY; or medical expenses under SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS.**

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided

for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.**

**b.** This insurance applies to "personal and advertising injury" only if:

- (1) The "personal and advertising injury" is caused by an offense arising out of your business; and
- (2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period.

**D. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions, q. Additional Insured Prior Knowledge** is deleted in its entirety.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES**

This endorsement modifies insurance provided under the following:

**Commercial General Liability Coverage Form  
Contractors' Limited Pollution Liability Coverage Form  
Owners and Contractors Protective Liability Coverage Form - Coverage For Operations of  
Designated Contractor  
Railroad Protective Liability Coverage Form**

In this Coverage Form, the definition of "Pollutants" is amended to add the following:

The definition of "pollutants" applies whether or not such irritant or contaminant has any function in or on your business, operations, premises, site or location.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **KANSAS CHANGES - TRANSFER OF RIGHTS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

Condition **9**. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (Section **IV**), does not apply to COVERAGE **C**. MEDICAL PAYMENTS.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED--CONDOMINIUM UNIT OWNERS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART.**

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE PROPERTY MANAGED**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to "property damage" to property you operate or manage or as to which you act as agent for the collection of rents or in any other supervisory capacity.

With respect to your liability arising out of your management of property for which you are acting as real estate manager this insurance is excess over any other valid and collectible insurance available to you.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft is replaced by the following:**

This insurance does not apply to:

**g. Aircraft, Auto or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises that you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 51 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.

(2) or f. (3) of the definition of "mobile equipment".

**B. SECTION II - WHO IS AN INSURED is amended to include:**

4. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

**C. SECTION V - DEFINITIONS, 3. "Auto" and 15. "Mobile equipment" are replaced by the following:**

3. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
  - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - b. Vehicles maintained for use solely on or next to premises you own or rent;
  - c. Vehicles that travel on crawler treads;

**d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted;

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

**e.** Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

**f.** Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

**D.** This endorsement does not apply to any liability arising from an "occurrence" caused by or arising from any land vehicle if:

1. You have an Auto Coverage Form in force at the time of the "occurrence"; and

2. The land vehicle meets the definition of auto in your Auto Coverage Form or policy, regardless of whether or not such land vehicle is:

**a.** A covered auto under such Auto Coverage Form or policy; or

**b.** Specifically described on a schedule of covered autos on your Auto Coverage Form or policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

#### **A. Endorsement - Table of Contents:**

<u>Coverage:</u>	<u>Begins on Page:</u>
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8. Automatic Additional Insured - Specified Relationships: .....	9
Managers or Lessors of Premises; Lessor of Leased Equipment; Vendors; and State or Political Subdivisions - Permits Relating to Premises	
9. Property Damage to Borrowed Equipment .....	12
10. Employees as Insureds - Specified Health Care Services: .....	12
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11. Broadened Notice of Occurrence .....	12

#### **B. Limits of Insurance:**

The Commercial General Liability Limits of Insurance apply to the insurance provided by this endorsement, except as provided below:

##### **1. Employee Benefit Liability Coverage**

Each Employee Limit: \$ 1,000,000  
Aggregate Limit: \$ 3,000,000  
Deductible: \$ 1,000

##### **3. Damage to Premises Rented to You**

The lesser of:

- a. The Each Occurrence Limit shown in the Declarations; or
- b. \$500,000 unless otherwise stated \$ \_\_\_\_\_

##### **4. Supplementary Payments**

- a. Bail bonds: \$ 1,000
- b. Loss of earnings: \$ 350

##### **5. Medical Payments**

Medical Expense Limit: \$ 10,000

##### **9. Property Damage to Borrowed Equipment**

Each Occurrence Limit: \$ 10,000  
Deductible: \$ 250



**C. Coverages****1. Employee Benefit Liability Coverage**

- a. The following is added to **SECTION I - COVERAGES: Employee Benefit Liability Coverage**.

**(1) Insuring Agreement**

- (a) We will pay those sums that the insured becomes legally obligated to pay as damages caused by any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any claim or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- (b) This insurance applies to damages only if the act, error or omission, is negligently committed in the "administration" of your "employee benefit program"; and

- 1) Occurs during the policy period; or
- 2) Occurred prior to the effective date of this endorsement provided:

- a) You did not have knowledge of a claim or "suit" on or before the effective date of this endorsement.

You will be deemed to have knowledge of a claim or "suit" when any "authorized representative";

- i) Reports all, or any part, of the act, error or omission to us or any other insurer;
- ii) Receives a written or verbal demand or claim for damages because of the act, error or omission; and

- b) There is no other applicable insurance.

**(2) Exclusions**

This insurance does not apply to:

- (a) **Bodily Injury, Property Damage or Personal and Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".

- (b) **Dishonest, Fraudulent, Criminal or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

- (c) **Failure to Perform a Contract**

Damages arising out of failure of performance of contract by any insurer.

- (d) **Insufficiency of Funds**

Damages arising out of an insufficiency of funds to meet any obligations under

any plan included in the "employee benefit program".

**(e) Inadequacy of Performance of Investment / Advice Given With Respect to Participation**

Any claim based upon:

- 1) Failure of any investment to perform;
- 2) Errors in providing information on past performance of investment vehicles; or
- 3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

**(f) Workers' Compensation and Similar Laws**

Any claim arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

**(g) ERISA**

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

**(h) Available Benefits**

Any claim for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

**(i) Taxes, Fines or Penalties**

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

**(j) Employment-Related Practices**

Any liability arising out of any:

- (1) Refusal to employ;
- (2) Termination of employment;
- (3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment-related practices, acts or omissions; or
- (4) Consequential liability as a result of (1), (2) or (3) above.

This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

**(3) Supplementary Payments**

**SECTION I - COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGES A AND B** also apply to this Coverage.

**b. Who is an Insured**

As respects Employee Benefit Liability Coverage, **SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced by the following:

- (1) If you are designated in the Declarations as:
  - (a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds but only with respect to the conduct of your business.
  - (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business.

Your managers are insureds, but only with respect to their duties as your managers.

- (d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- (e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- (2) Each of the following is also an insured:
  - (a) Each of your "employees" who is or was authorized to administer your "employee benefit program".
  - (b) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
  - (c) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- (3) Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However, coverage under this provision:
  - (a) Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - (b) Does not apply to any act, error or omission that was committed before you ac-

quired or formed the organization.

### c. Limits of Insurance

As respects Employee Benefit Liability Coverage, **SECTION III - LIMITS OF INSURANCE** is deleted in its entirety and replaced by the following:

- (1) The Limits of Insurance shown in Section **B. Limits of Insurance, 1. Employee Benefit Liability Coverage** and the rules below fix the most we will pay regardless of the number of:
  - (a) Insureds;
  - (b) Claims made or "suits" brought;
  - (c) Persons or organizations making claims or bringing "suits";
  - (d) Acts, errors or omissions; or
  - (e) Benefits included in your "employee benefit program".
- (2) The Aggregate Limit shown in Section **B. Limits of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- (3) Subject to the limit described in (2) above, the Each Employee Limit shown in Section **B. Limits of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
  - (a) An act, error or omission; or
  - (b) A series of related acts, errors or omissions, regardless of the amount of time that lapses between such acts, errors or omissions, negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any

plan included in the "employee benefit program".

**(4) Deductible Amount**

- (a) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Declarations as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- (b) The deductible amount stated in the Declarations applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- (c) The terms of this insurance, including those with respect to:
  - 1) Our right and duty to defend the insured against any "suits" seeking those damages; and
  - 2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or claim,
 apply irrespective of the application of the deductible amount.
- (d) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

**d. Additional Conditions**

As respects **Employee Benefit Liability Coverage, SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

- (1) Item 2. **Duties in the Event of Occurrence, Offense, Claim or**

**Suit** is deleted in its entirety and replaced by the following:

**2. Duties in the Event of an Act, Error or Omission, or Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a claim. To the extent possible, notice should include:
  - (1) What the act, error or omission was and when it occurred; and
  - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.
 You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
  - (4) Assist us, upon our request, in the

enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

(2) Item 5. **Other Insurance** is deleted in its entirety and replaced by the following:

**5. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when c. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in b. below.

**b. Method of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method,

each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**c. No Coverage**

This insurance shall not cover any loss for which the insured is entitled to recovery under any other insurance in force previous to the effective date of this Coverage Part.

**e. Additional Definitions**

As respects **Employee Benefit Liability Coverage, SECTION V - DEFINITIONS** is amended as follows:

(1) The following definitions are added:

**1. "Administration" means:**

- a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Interpreting the "employee benefit programs";
- c. Handling records in connection with the "employee benefit programs"; or
- d. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include:

- a. Handling payroll deductions; or
- b. The failure to effect or maintain any insurance or adequate limits of coverage of insurance, including but not limited to unemployment insurance, social security benefits, workers' compensation and disability benefits.

2. "Cafeteria plans" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
  3. "Employee benefit programs" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
    - a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
    - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
    - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
    - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.
- (2) The following definitions are deleted in their entirety and replaced by the following:
21. "Suit" means a civil proceeding in which money damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
    - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
    - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
    - c. An appeal of a civil proceeding.
  8. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- 2. Unintentional Failure to Disclose Hazards**
- SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 7. Representations** is hereby amended by the addition of the following:
- Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under this Coverage Part based solely on such failure.
- 3. Damage to Premises Rented to You**
- a. The last Subparagraph of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** is hereby deleted and replaced by the following:
 

Exclusions **c.** through **q.** do not apply to damage by fire, explosion, lightning, smoke or soot to premises while rented to you or temporarily occupied by you with permission of the owner.
  - b. The insurance provided under **SECTION I - COVERAGES, COVERAGE**

**A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** applies to "property damage" arising out of water damage to premises that are both rented to and occupied by you.

- (1) As respects Water Damage Legal Liability, as provided in Paragraph 3.b. above:

The exclusions under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions**, other than i. **War** and the **Nuclear Energy Liability Exclusion**, are deleted and the following are added:

This insurance does not apply to:

- (a) "Property damage":

- 1) Assumed in any contract; or
- 2) Loss caused by or resulting from any of the following:
  - a) Wear and tear;
  - b) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
  - c) Smog;
  - d) Mechanical breakdown including rupture or bursting caused by centrifugal force;
  - e) Settling, cracking, shrinking or expansion; or
  - f) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

- (b) Loss caused directly or indirectly by any of the following:

- 1) Earthquake, volcanic eruption, landslide or

any other earth movement;

- 2) Water that backs up or overflows from a sewer, drain or sump;

- 3) Water under the ground surface pressing on, or flowing or seeping through:

a) Foundations, walls, floors or paved surfaces;

b) Basements, whether paved or not; or

c) Doors, windows or other openings.

- (c) Loss caused by or resulting from water that leaks or flows from plumbing, heating, air conditioning, or fire protection systems caused by or resulting from freezing, unless:

1) You did your best to maintain heat in the building or structure; or

2) You drained the equipment and shut off the water supply if the heat was not maintained.

- (d) Loss to or damage to:

1) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or

2) The interior of any building or structure, or to personal property in the building or structure caused by or resulting from rain, snow, sleet or ice, whether driven by wind or not.

#### c. Limit of Insurance

The Damage to Premises Rented to You Limit as shown in the Declarations is amended as follows:

- (2) Paragraph 6. of **SECTION III - LIMITS OF INSURANCE** is hereby deleted and replaced by the following:

6. Subject to 5. above, the Damage to Premises Rented to You Limit is the

most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of any one "occurrence" to which this insurance applies.

- (3) The amount we will pay is limited as described in Section **B. Limits of Insurance, 3. Damage to Premises Rented to You** of this endorsement.

#### 4. Supplementary Payments

Under **SECTION I - COVERAGE, SUPPLEMENTARY PAYMENTS - COVERAGES A AND B:**

- a. Paragraph 2. is replaced by the following:

Up to the limit shown in Section **B. Limits of Insurance, 4.a.** Bail Bonds of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- b. Paragraph 4. is replaced by the following:

All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to the limit shown in Section **B. Limits of Insurance, 4.b.** Loss of Earnings of this endorsement per day because of time off from work.

#### 5. Medical Payments

The Medical Expense Limit of Any One Person as stated in the Declarations is amended to the limit shown in Section **B. Limits of Insurance, 5. Medical Payment** of this endorsement.

#### 6. 180 Day Coverage for Newly Formed or Acquired Organizations

**SECTION II - WHO IS AN INSURED** is amended as follows:

Subparagraph **a.** of Paragraph 4. is hereby deleted and replaced by the following:

- a. Insurance under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

#### 7. Waiver of Subrogation

**SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 9. Transfer of Rights of Recovery Against Others to Us** is hereby amended by the addition of the following:

We waive any right of recovery we may have because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract requiring such waiver with that person or organization and included in the "products-completed operations hazard". However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

#### 8. Automatic Additional Insured - Specified Relationships

- a. The following is hereby added to **SECTION II - WHO IS AN INSURED:**

- (1) Any person or organization described in Paragraph **8.a.(2)** below (hereinafter referred to as additional insured) whom you are required to add as an additional insured under this Coverage Part by reason of:

- (a) A written contract or agreement; or
- (b) An oral agreement or contract where a certificate of insurance showing that person or organization as an additional insured has been issued,

is an insured, provided:

- (a) The written or oral contract or agreement is:
  - 1) Currently in effect or becomes effective during the policy period; and
  - 2) Executed prior to an "occurrence" or offense to which this insurance would apply; and



(b) They are not specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part.

(2) Only the following persons or organizations are additional insureds under this endorsement, and insurance coverage provided to such additional insureds is limited as provided herein:

(a) The manager or lessor of a premises leased to you with whom you have agreed per Paragraph 8.a.(1) above to provide insurance, but only with respect to liability arising out of the ownership, maintenance or use of that part of a premises leased to you, subject to the following additional exclusions:

This insurance does not apply to:

- 1) Any "occurrence" which takes place after you cease to be a tenant in that premises.
- 2) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

(b) Any person or organization from which you lease equipment with whom you have agreed per Paragraph 8.a.(1) above to provide insurance. Such person(s) or organization(s) are insureds solely with respect to their liability arising out of the maintenance, operation or use by you of equipment leased to you by such person(s) or organization(s). However, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

(c) Any person or organization (referred to below as vendor) with whom you have agreed per Paragraph 8.a.(1) above to provide insurance, but only with respect to "bodily injury" or "property damage" arising

out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1) The insurance afforded the vendor does not apply to:

- a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- b) Any express warranty unauthorized by you;
- c) Any physical or chemical change in the product made intentionally by the vendor;
- d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- f) Demonstration, installation, servicing or repair opera-

tions, except such operations performed at the vendor's premises in connection with the sale of the product;

- g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor.
- 2) This insurance does not apply to any insured person or organization:
  - a) From whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products; or
  - b) When liability included within the "products-completed operations hazard" has been excluded under this Coverage Part with respect to such products.
- (d) Any state or political subdivision with which you have agreed per Paragraph **8.a.(1)** above to provide insurance, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with premises you own, rent or control and to which this insurance applies:

- 1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings,

sidewalk vaults, street banners, or decorations and similar exposures; or

- 2) The construction, erection, or removal of elevators; or
  - 3) The ownership, maintenance, or use of any elevators covered by this insurance.
- (3) Any insurance provided to an additional insured designated under Paragraph **8.a.(2)** Subparagraphs (a), (b) and (d) does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the sole negligence or willful misconduct of the additional insured or their agents, "employees" or any other representative of the additional insured.

**b. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is hereby amended as follows:

Condition **5. Other Insurance** is amended to include:

- (1) Where required by a written contract or agreement, this insurance is primary and / or non-contributory as respects any other insurance policy issued to the additional insured, and such other insurance policy shall be excess and / or noncontributing, whichever applies, with this insurance.
- (2) Any insurance provided by this endorsement shall be primary to other insurance available to the additional insured except:
  - (a) As otherwise provided in **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 5. Other Insurance, b. Excess Insurance**; or
  - (b) For any other valid and collectible insurance available to the additional insured as an additional insured by attachment of an endorsement to another insurance policy that is written on an excess basis. In such case, the coverage provided under this endorsement shall also be excess.

**9. Property Damage to Borrowed Equipment**

- a. The following is hereby added to Exclusion j. **Damage to Property** of Paragraph 2., **Exclusions** of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY.**

Paragraphs (3) and (4) of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

- b. With respect to the insurance provided by this section of the endorsement, the following additional provisions apply:

- (1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in Section **B. Limits of Insurance, 9. Property Damage to Borrowed Equipment** of this endorsement with respect to coverage provided by this endorsement. These limits are inclusive of and not in addition to the limits being replaced. The Limits of Insurance shown in Section **B. Limits of Insurance, 9. Property Damage to Borrowed Equipment** of this endorsement fix the most we will pay in any one "occurrence" regardless of the number of:

- (a) Insureds;
- (b) Claims made or "suits" brought; or
- (c) Persons or organizations making claims or bring "suits".

**(2) Deductible Clause**

- (a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the deductible amount stated in Section **B. Limits of Insurance, 9. Property Damage to Borrowed Equipment** of this endorsement. The limits of insurance will not be reduced by the application of such deductible amount.

- (b) **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 2. Duties in the Event of Occurrence, Offense, Claim or Suit**, applies to each claim or "suit" irrespective of the amount.

- (c) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

**10. Employees as Insureds - Specified Health Care Services**

It is hereby agreed that Paragraph 2.a.(1)(d) of **SECTION II - WHO IS AN INSURED**, does not apply to your "employees" who provide professional health care services on your behalf as duly licensed:

- a. Nurses;
- b. Emergency Medical Technicians; or
- c. Paramedics,

in the jurisdiction where an "occurrence" or offense to which this insurance applies takes place.

**11. Broadened Notice of Occurrence**

Paragraph a. of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 2. Duties in the Event of Occurrence, Offense, Claim or Suit** is hereby deleted and replaced by the following:

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

This requirement applies only when the "occurrence" or offense is known to an "authorized representative".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - POLLUTION EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following is added to Subparagraph f., **Pollution** of Paragraph 2., **Exclusions of Bodily Injury and Property Damage Liability Coverage (Section I - Coverages)** and to Paragraph 2., **Exclusions of Personal and Advertising Injury Liability Coverage (Section I - Coverages)** or to any amendment to or replacement thereof:

This Pollution Exclusion applies whether or not such irritant or contaminant has any function in your business, operations, premises, site or location.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED--  
MORTGAGEE, ASSIGNEE, OR RECEIVER**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART.**

**SCHEDULE**

**Name of Person or Organization:**  
**WHEN REQUIRED IN WRITTEN CONTRACT**

**Designation of Premises:**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

1. WHO IS AN INSURED (Section II) is amended to include as an insured the person(s) or organization(s) shown in the Schedule but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you and shown in the Schedule.
2. This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2.  
**Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability** and Paragraph 2. **Exclusions of Section I - Coverage B - Personal and Advertising Injury Liability:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA AMENDATORY  
EXCLUSION - LIABILITY ARISING FROM STATUTE OR  
REGULATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

**Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management: I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

The following exclusion is added to Paragraph **2. Exclusions** of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

This insurance does not apply to liability arising out of one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - ACCESS OR DISCLOSURE OF  
CONFIDENTIAL OR PERSONAL INFORMATION AND  
DATA-RELATED LIABILITY - WITH  
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Exclusion 2.s. of Section I - Coverage A - Bodily Injury and Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

- s. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

ing out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

- B. The following is added to Paragraph 2. Exclusions of Section I - Coverage B - Personal and Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Access or Disclosure of Confidential or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - LEAD LIABILITY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusions are added to Paragraph 2. **Exclusions** of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. **Exclusions** of **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead in any form emanating from any source.
2. Any loss, cost or expense arising out of, resulting from or in any way related to any:
  - a. Claim, suit, request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead in any form; or
  - b. Claim or suit by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL POLLUTANT EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, f. Pollutant** is replaced by the following:

This insurance does not apply to:

**f. Pollutant**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.
- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** The following exclusion is added to Paragraph 2. Exclusions of **SECTION I - COVERAGES. COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a.** "Bodily injury" or "property damage" caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Absorption of;
- (5) Exposure to;
- (6) Existence of; or
- (7) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

- b.** Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;

- c.** Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (1) The existence of "fungi" or bacteria;

- (2) The prevention of "fungi" or bacteria;

- (3) The remediation of "fungi" or bacteria;

- (4) Any operation described in Paragraph **A. 2. b.** above;

- (5) "Your product"; or

- (6) "Your work"; or

- d.** Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **A. 2. a., b. or c.** above;

regardless of any other cause, event, material, product and / or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

- B.** The following exclusion is added to Paragraph 2. Exclusions of **SECTION I - COVERAGES. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a.** "Personal and advertising injury" caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Absorption of;
- (5) Exposure to;
- (6) Existence of; or
- (7) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

**b.** Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;

**c.** Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (1) The existence of "fungi" or bacteria;
- (2) The prevention of "fungi" or bacteria;
- (3) The remediation of "fungi" or bacteria;

(4) Any operation described in Paragraph **B. 2. b.** above;

(5) "Your product"; or

(6) "Your work"; or

**d.** Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **B. 2. a., b. or c.** above;

regardless of any other cause, event, material, product and / or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

**C.** For the purposes of this endorsement, **SECTION V - DEFINITIONS** is amended to include the following:

"Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED - TENANTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

### **SCHEDULE**

**Name of Tenant(s):**

**WHEN REQUIRED IN WRITTEN CONTRACT**

**Location:**

- A. SECTION II - WHO IS AN INSURED** is amended to include as an insured the Tenant(s) shown in the Schedule but only with respect to liability arising out of your ownership, operation, maintenance or use of those areas provided for common use of your tenants at the Location described in the Schedule.
- B. The following exclusion is added to Paragraph 2. Exclusions of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY and Paragraph 2. Exclusions of SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY:**

This insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of negligence or willful misconduct of the additional insured or its "employees".

INLAND MARINE

# THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

## ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM DECLARATIONS

**NOTICE: INSURANCE COVERAGE UNDER ANY PARTICULAR COVERAGE INCLUDED WITHIN THIS FORM IS NOT IN FORCE UNLESS THE CORRESPONDING SECTION OF THESE DECLARATIONS HAS BEEN COMPLETED.**

Attached to and forming a part of POLICY NUMBER: <b>CPP 107 57 01</b>		Effective Date: <b>05-01-2018</b>
<b>Named Insured</b> is the same as it appears in the Common Policy Declarations unless another entry is made here.		
<b>COVERAGE PROVISIONS</b> (Only those items marked by an <input checked="" type="checkbox"/> , where so indicated, are applicable):		
<b>Limits of Insurance:</b>		
<input checked="" type="checkbox"/> <b>Coverage A - Electronic Data Processing Property:</b> .....		<b>Limit of Insurance:</b> <input checked="" type="checkbox"/> Blanket: \$ <b>470,000</b> <input type="checkbox"/> See Scheduled Premises Endorsement
<input checked="" type="checkbox"/> <b>Coverage A - Coverage Extensions:</b>		<b>Limit of Insurance - Unless Otherwise Stated:</b>
a. Debris Removal: .....	\$50,000	- \$ .....
b. Duplicate and Backup Electronic Media and Records: .....	\$10,000	- \$ .....
c. Off Premises: 20% of the Coverage A Limit of Insurance subject to a maximum of: .....	\$50,000	- \$ .....
d. Pollutant Clean Up and Removal .....	\$10,000	- \$ .....
e. Recharge or Refill of a Fire Protection Device: .....	\$50,000	- \$ .....
f. Third Party Host: .....	\$10,000	- \$ .....
<input checked="" type="checkbox"/> <b>Coverage B - Business Income and Extra Expense:</b> .....		<b>Limit of Insurance:</b> <input checked="" type="checkbox"/> Blanket: \$ <b>10,000</b> <input type="checkbox"/> See Scheduled Premises Endorsement
<input checked="" type="checkbox"/> <b>Coverage C - Additional Coverages:</b>		<b>Limit of Insurance - Unless Otherwise Stated:</b>
1. Denial of Service .....	\$10,000	- \$ .....
2. Loss Establishment Expenses .....	\$5,000	- \$ .....
3. Malicious Code .....	\$10,000	- \$ .....
4. Unauthorized Use .....	\$10,000	- \$ .....
<b>Note:</b> The maximum aggregate Limit of Insurance for any Additional Coverage in any one "coverage term" is three times the Limit of Insurance stated here.		
<b>Deductibles:</b>		
<b>Coverage A:</b>		<b>Deductible:</b>
Basic: .....	\$	<b>1,000</b>
Specified Losses: .....	\$	<b>1,000</b>
Coverage B: .....	(Hours)	<b>24</b>
<b>FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE FORM:</b> <b>MA123      08/07      MA135      11/99      MA4050      04/10</b>		
<b>LOSS PAYEE:</b>		

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# ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section V - Definitions**.

## Section I - Coverages

### Coverage A - Electronic Data Processing Property

#### 1. Insuring Agreement

We will pay for "loss" to Covered Property resulting from a Covered Cause of Loss.

#### 2. Covered Property

Covered Property, as used in Coverage A of this Coverage Part, means the following type of property:

- a. Your "hardware";
- b. Climate control equipment, and other electrical equipment, used exclusively with your "hardware";
- c. Your "electronic media and records";
- d. Your "telecommunications equipment";
- e. Your programming documentation and instruction manuals; and
- f. Similar property of others in your care, custody or control,

While located:

- a. On your "premises" or within one thousand (1,000) feet thereof (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**); and
- b. In the "coverage territory" (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**).

#### 3. Property Not Covered

Covered Property does not include:

- a. "Electronic media and records" that cannot be replaced with similar property of like kind and quality.
- b. Property that you have rented or leased to another person or organization and is not at your "premises".
- c. Contraband or property in the course of illegal transit or trade.
- d. "Production equipment".
- e. Copyrights, patents, trademarks, trade secrets or other intellectual property.
- f. Personally identifiable information of persons or entities other than you or your employees.
- g. Property held as samples or for sale.
- h. Records of accounts receivable.
- i. Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- j. "Electronic securities", "evidences of debt", "money" and "securities".
- k. "Valuable papers and records".

#### 4. Covered Causes of Loss

Covered Causes of Loss, with respect to Coverage A, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

#### 5. Coverage Extensions

Unless stated otherwise, the Limits of Insurance referenced in the following Coverage Extensions are in addition to, and not included within, **Section III - Limits of Insurance and Deductibles, 1. Limits of Insurance** for Coverage A.

##### a. Debris Removal

- (1) We will pay your expense to remove the debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred-eighty (180) days of the date of direct "loss".

- (2) The most we will pay under this Coverage Extension is twenty-five (25) percent (%) of:

- (a) The amount we pay for the direct "loss" to Covered Property; plus
- (b) The deductible in this Coverage Part applicable to that "loss".

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage **A**. However, if:

- (a) The sum of direct "loss" and debris removal expense exceeds the Limit of Insurance for Coverage **A**; or
- (b) The debris removal expense exceeds the amount payable under the twenty-five (25) percent (%) limitation in this Coverage Extension;

we will pay up to the additional Limit of Insurance for Debris Removal stated in the Declarations for each "premises" in any one "occurrence".

- (3) This Coverage Extension does not apply to costs to:
  - (a) Extract "pollutants" from land or water; or
  - (b) Remove, restore or replace polluted land or water.

**b. Duplicate and Backup Electronic Media and Records**

We will pay up to the Limit of Insurance for Duplicate and Backup Electronic Media and Records stated in the Declarations in any one "occurrence" for "loss" to "electronic media and records" due to a Covered Cause of Loss while such property is stored away from your "premises" other than "temporarily".

This Coverage Extension does not apply to "loss" insured under the Third Party Host Coverage Extension.

**c. Off Premises**

We will pay up to the Limit of Insurance for Off Premises stated in the Declarations in any one "occurrence" for "loss" to Covered Property due to a Covered Cause of Loss while such property is away from your "premises":

- (1) "Temporarily" in transit;

- (2) "Temporarily" in storage; or

- (3) In the custody of your employee for the purpose of conducting your business.

This is not an additional Limit of Insurance. It is included within the Coverage **A** Limit of Insurance.

This Coverage Extension applies to Covered Property whether or not it is located within the "coverage territory".

If the Limit of Insurance stated in the Declarations is other than the \$50,000 maximum stated, then the Limit of Insurance that applies to all "loss" in any one "occurrence" is the greater of the limit stated or the twenty percent (20%) of the Coverage **A** Limit of Insurance limitation.

**d. Pollutant Clean Up and Removal**

- (1) We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants":
  - (a) Is from Covered Property;
  - (b) Is caused by a Covered Cause of Loss; and
  - (c) Occurs during the policy period.

The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the Covered Cause of Loss occurs.

- (2) This Coverage Extension does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.
- (3) The most we will pay under this Coverage Extension for each "premises" for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term" is the Limit of Insurance stated in the Declarations for Pollutant Clean Up and Removal.

**e. Preservation of Property**

If it is necessary to move Covered Property from the "premises" to preserve it from "loss" by a Covered Cause of Loss, we will pay for any direct "loss" to that property:

- (1) While it is being moved or while "temporarily" stored at a location other than a "premises"; and
- (2) Only if the "loss" occurs within thirty (30) days after the property is first moved.

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage **A**.

**f. Recharge or Refill of a Fire Protection Device**

We will pay for your expense to recharge or refill any fire protective devices that are designed specifically to protect Covered Property when these devices have been discharged in a "loss" insured by Coverage **A** of this Coverage Part or have been accidentally discharged. The most we will pay in any one "loss" or "sudden and accidental" discharge is the Limit of Insurance for Recharge or Refill of a Fire Protection Device stated in the Declarations.

**g. Third Party Host**

We will pay up to the Limit of Insurance for Third Party Host stated in the Declarations in any one "occurrence" for "loss" to:

Your "electronic media and records" away from your "premises" due to a Covered Cause of Loss, but only while such "electronic media and records" are hosted in the "hardware" of a third party information technology provider, with whom you have directly contracted for such service.

This is not an additional Limit of Insurance. It is included within the Coverage **A** Limit of Insurance.

This Coverage Extension:

- (1) Applies to "electronic media and records" whether or not they are located within the "coverage territory"; and
- (2) Does not apply to "loss" insured under the Duplicate and Backup Electronic Media and Records Coverage Extension.

**h. Newly Acquired Property**

We will provide coverage as follows:

- (1) On newly acquired Covered Property up to the total limit shown on the Declarations Page for Total Covered Property whether located at a current location or newly acquired location,

but in no event shall we pay more than \$250,000 under this Coverage Extension for any one "loss".

You will report such newly acquired property, or Covered Property already insured by this policy which is moved to a newly acquired location, to us within 90 days from the date the Covered Property is acquired or moved, as the case may be, and pay any additional premium due. If you do not report such property or movement of property, coverage will cease automatically after the 90 days has elapsed. However, in no event shall coverage be extended beyond the expiration of this policy.

**Coverage B - Business Income and Extra Expense**

**1. Insuring Agreement**

We will pay your actual loss of "business income" as well as "extra expense" that results from the necessary "suspension" of your "operations" during the "period of restoration" due to "loss" to Covered Property resulting from a Covered Cause of Loss.

**2. Covered Property**

Covered Property, as used in Coverage **B** of this Coverage Part, is the same as that applicable to Coverage **A**.

**3. Property Not Covered**

Covered Property does not include Property Not Covered under Coverage **A**.

**4. Covered Causes of Loss**

Covered Causes of Loss, with respect to Coverage **B**, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

**5. Additional Coverage**

This Additional Coverage does not provide additional Limits of Insurance.

**Extended Business Income**

If the necessary "suspension" of your "operations" produces a "business income" loss payable under this Coverage Part, we will pay for the actual loss of "business income" you incur during the period that:

- a. Begins on the date Covered Property is actually repaired, rebuilt or replaced and "operations" are resumed; and
- b. Ends on the earlier of:

- (1) The date you could restore your "operations", with reasonable speed, to the level which would generate the "business income" that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or

- (2) Sixty (60) consecutive days after the date determined in **5.a.** above.

However, Extended Business Income does not apply to loss of "business income" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where your "premises" are located.

### **Coverage C - Additional Coverages**

The Limits of Insurance provided in the following Additional Coverages are included within and are not in addition to the Limits of Insurance applicable to Coverages **A** or **B**, unless stated otherwise therein.

#### **1. Denial of Service**

We will pay up to the Limit of Insurance stated in the Declarations for Denial of Service for loss of "business income" or "extra expense" under Coverage **B** caused by a "denial of service".

#### **2. Loss Establishment Expenses**

Subsequent to the detection of a potential "loss" insured under Coverage **A** or **B**, we will pay up to the Limit of Insurance stated in the Declarations for "loss establishment expenses" incurred within ninety (90) days of the detection of the "loss" or potential "loss".

This Limit of Insurance is in addition to the Limits of Insurance for Coverages **A** and **B**.

#### **3. Malicious Code**

We will pay up to the Limit of Insurance stated in the Declarations for Malicious Code for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from the introduction of a "malicious code" to your "electronic media and records" or "hardware" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;

- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

#### **4. Unauthorized Use**

We will pay up to the Limit of Insurance stated in the Declarations for Unauthorized Use for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from "unauthorized use" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;
- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

### **Section II - Exclusions**

#### **Coverage A - Electronic Data Processing Property and Coverage B - Business Income and Extra Expense - Exclusions**

The following exclusions apply to Coverages **A** and **B**, unless stated otherwise herein:

1. We will not pay for a "loss", loss of "business income" or "extra expense" caused directly or indirectly by any of the following. Such "loss", loss of "business income" or "extra expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss", loss of "business income" or "extra expense":

##### **a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Part.

##### **b. Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause.
- c. Satellite Communications**
- The disruption or failure of any satellite communication system, or any part thereof.
- d. War and Military Action**
- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
- e. Utility Interruption**
- The intentional suspension of any utility service by you or the utility provider.
- f. Tidal Wave or Tsunami**
- Tidal wave or tsunami, even if attributable to an earthquake or volcanic eruption.
2. We will not pay for "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following:
- a.** Delay or loss of market, except as may be provided under Coverage B.
- b.** Dishonest or criminal acts by you, any of your partners, directors, trustees, officers, members or managers (if you are a limited liability company) or anyone entrusted with the property, except employees, whether or not acting alone or in collusion with others or whether or not occurring during the hours of employment. But this exclusion does not apply to a carrier for hire.
- c.** Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".
- d.** Interruption, disruption, or slow down in normal network service or function due to activity on the network or network server.
- This exclusion does not apply to "denial of service".
- e.** Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- f.** Unauthorized instructions to transfer property to any person or to any place.
- g.** Bookkeeping, accounting or billing errors or omissions.
- h.** Any processing or work upon Covered Property. But if "loss" by fire results, we will pay for that resulting "loss", loss of "business income" or "extra expense".
- i.** "Denial of service", "malicious code" or "unauthorized use".
- However, this exclusion shall not apply to the extent that insurance coverage is provided under **Section I - Coverages, Coverage C - Additional Coverages**.
3. We will not pay for a "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following. But if "loss", loss of "business income" or "extra expense" caused by a Covered Cause of Loss results, we will pay for that resulting "loss", loss of "business income" or "extra expense":
- a.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- b.** Wear and tear, hidden or latent defect, gradual deterioration, or depreciation.
- c.** The failure of "hardware" or "electronic media and records" to function as designed or anticipated to function by you or any other person or organization providing, designing or recommending said "hardware" or "electronic media and records" to you.
- However, this exclusion will not apply if the failure of "hardware" or "electronic media and records" to function is caused by:
- (1) A Covered Cause of Loss emanating from a source external to the "hardware" or "electronic media and records"; or
- (2) The "sudden and accidental" "mechanical breakdown" of "hardware".

4. Insurance provided by Coverages **A** and **B** does not apply to:

a. Payment of costs, fees, or other expenses you incur in establishing either the existence or the amount of "loss", loss of "business income" or "extra expense", except as provided for under **Section I - Coverages, Coverage C - Additional Coverages, 2. Loss Establishment Expenses**.

b. "Loss", loss of "business income" or "extra expense", or any part thereof, the proof of which as to its existence or amount is dependent solely upon:

- (1) An inventory computation;
- (2) A profit and loss computation; or
- (3) An audit of records.

5. Insurance provided by Coverage **A** does not apply to loss of "business income" or "extra expense".

**Section III - Limits of Insurance and Deductibles**

**1. Limits of Insurance**

a. The most we will pay for any one "occurrence" is the applicable Limits of Insurance for Coverages **A** and **B** and **Coverage C - Additional Coverages, 2. Loss Establishment Expenses** stated in the Declarations or any endorsement amendatory thereof.

b. With respect to **Section I - Coverages, Coverage C - Additional Coverages**:

(1) Under **Coverage C - Additional Coverages, 2. Loss Establishment Expenses**, we will not pay more than the lesser of:

- (a) The Limit of Insurance stated in the Declarations for Loss Establishment Expenses; or
- (b) The actual cost of the "loss" insured under Coverages **A** or **B** in "Loss establishment expenses".

(2) In the event that a single "occurrence" involves one or more of the following:

- (a) "Denial of service";
- (b) "Malicious code"; or
- (c) "Unauthorized use",

the most we will pay in total is the single highest Limit of Insurance ap-

plicable to the Additional Coverages applicable to the "loss".

(3) The most we will pay for all "loss" in any "coverage term" for each Additional Coverage is three times the Limit of Insurance stated for each in the Declarations.

**2. Deductibles**

**a. Coverage A**

We will not pay for "loss" in any one "occurrence" until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Deductible section of the Declarations for Coverage **A**. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

(1) The Basic Deductible shown on the Declarations applies to "loss" from all Covered Causes of Loss except those referenced in (2) below.

(2) The Specified Losses Deductible shown on the Declarations applies to "loss" caused by "sudden and accidental" "mechanical breakdown" or artificially generated electrical disturbance.

**b. Coverage B**

We will not pay your actual loss of "business income" or "extra expense" arising from any one "loss" until and unless the necessary "suspension" of your "operations" has exceeded the Deductible in hours stated in the Declarations for Coverage **B**. We will then pay the amount of your actual loss of "business income" or "extra expense" in excess of the Deductible, up to the Limit of Insurance.

**c. Coverage C**

We will not pay for "loss", loss of "business income", "extra expenses" or "loss establishment expenses" under **Section I - Coverages, Coverage C - Additional Coverages** unless and until an insured "loss", loss of "business income" or "extra expenses" under Coverage **A** or **B** exceeds their deductible.

**Section IV - Additional Conditions**

The following Conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**1. Coverage A - Electronic Data Processing Property - Conditions**

The following Condition applies to Coverage **A** only:

**Valuation**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, F. Valuation** is replaced by the following with respect to Covered Property under Coverage **A**:

- a. Valuation of Covered Property under Coverage **A**, other than that described in Paragraph **b.** below:

If you repair or replace this property with due diligence following "loss", the property will be valued at the full cost of repair or replacement. However, the most we will pay is the least of the following:

- (1) The cost of replacing that property with property of similar or greater quality and function, provided the cost is no greater than the original purchase price of the property plus twenty (20) percent (%);
- (2) The amount you actually and necessarily spend to repair or replace the property; or
- (3) The Limit of Insurance applicable to the property.

If you do not repair or replace this property with due diligence following "loss", the most we will pay will be the least of the following:

- (a) The "actual cash value" of the property;
- (b) The "actual cash value" of repairs with material of like kind and quality; or
- (c) The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in "money".

In the event of "loss", the value of property will be determined as of the date of "loss".

- b. Valuation of "electronic media and records":
- (1) We will not pay for more than the actual reproduction costs of covered "electronic media and records".
  - (2) But we will not pay the cost to duplicate research or operations that were developed away from your "premises" that led to the develop-

ment of your "electronic media and records" or that led to the development of any proprietary or confidential information or intellectual property.

- (3) If you do not replace or reproduce the "electronic media and records", the most we will pay is the cost of blank "electronic media and records".

The most we will pay is the Limit of Insurance shown on the Declarations.

**2. Coverage B - Business Income and Extra Expense - Conditions**

The following Conditions apply to Coverage **B** only:

**a. Appraisal**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, B. Appraisal** is replaced by the following:

If you and we disagree on the amount of Net Income and operating expense or the amount of loss, either may make a written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that a judge of a court having jurisdiction make selection. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**b. Loss Determination**

- (1) The amount of "business income" loss will be determined based on:
  - (a) The Net Income of the business before the Covered Cause of Loss occurred;
  - (b) The likely Net Income of the business if no Covered Cause of Loss had occurred, but not including any Net Income that likely would have resulted from an increase in the volume of



business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

- (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the Covered Cause of Loss; and
  - (d) Other relevant sources of information, including:
    - 1) Your financial records and accounting procedures;
    - 2) Bills, invoices and other vouchers; and
    - 3) Deeds, liens or contracts.
- (2) The amount of "extra expense" will be determined based on:
- (a) All necessary and reasonable expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no Covered Cause of Loss had occurred. We will deduct from the total of such expenses:
    - 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
    - 2) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
  - (b) All necessary and reasonable expenses that reduce the "business income" loss that otherwise would have been incurred.

### c. Resumption of Operations

- (1) We will reduce the amount of your:
  - (a) "Business income" loss other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise

or stock) at the "premises" or elsewhere.

- (b) "Extra expense" loss to the extent you can return "operations" to normal and discontinue such "extra expense".
- (2) If you do not resume "operations" or do not resume "operations" as quickly as possible, we will pay based on the length of time it should have taken with due diligence to resume operations as quickly as possible.

### 3. Common Conditions

The following Conditions apply to all Coverages provided under this Coverage Part:

#### a. Duties in the Event of Loss

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, C. Duties in the Event of Loss** is replaced by the following:

- (1) In the event of:
  - (a) "Loss" to Covered Property; or
  - (b) Loss of, or loss from damage to Covered Property, or a situation that may result in loss of, or loss from damage to Covered Property,

You must see that the following are done:

  - 1) Notify the police if a law may have been broken.
  - 2) Notify us as soon as possible. Include a description of any property involved.
  - 3) As soon as possible, give us a description of how, when and where the loss occurred.
  - 4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside in the best possible order for examination.

- 5) As often as may be reasonably required, permit us to:
    - a) Inspect the property proving the loss;
    - b) Examine your books, records, "electronic media and records" and "hardware";
    - c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
    - d) Make copies from your books, records, "electronic media and records" and "hardware".
  - 6) Send us signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - 7) Cooperate with us in the investigation or settlement of the claim.
  - 8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
  - 9) Make no statement that will assume any obligation or admit any liability, for any loss for which we may be liable, without our prior written consent.
  - 10) Promptly send us any legal papers or notices received concerning the loss.
- (2) We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

**b. Blanket Insurance**

If blanket insurance is indicated (☒) in the Declarations, the Limit of Insurance for that Coverage applies to all "premises" within the "coverage territory".

**c. Joint Insured**

- (1) If more than one Insured is named in the Declarations, the first Named In-

sured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered under this policy, then the next Named Insured will become the first Named Insured.

- (2) If any Insured or partner, officer, or member or manager (applicable to limited liability companies) of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An employee of any Insured is considered to be an employee of every Insured.
- (4) If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

**d. Legal Action Against Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, B. Legal Action Against Us** is replaced by the following:

No one may bring legal action against us under this Coverage Part unless:

- (1) There has been full compliance with all the terms of this Coverage Part;
- (2) At least ninety (90) days has passed since you filed proof of loss with us; and
- (3) Brought within two (2) years from the date you discover the loss in question.

**e. Loss Payee**

For Covered Property in which both you and a Loss Payee listed in the Declarations have an insurable interest, we will:

- (1) Adjust "losses" with you; and
- (2) Pay any claim for insured "loss" jointly to you and the Loss Payee, as interests may appear.

**f. Multi-Year Policies**

If this Coverage Part is issued for more than one annual policy period, the premium may be adjusted at the inception of each following "coverage term" based on our rates in effect at that time.

**g. Non-Accumulation of Limits of Insurance**

Regardless of the number of "coverage terms" this insurance remains in force or the number of premiums paid, no Limit of Insurance accumulates from year to year or period to period.

**h. Other Insurance**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, F. Other Insurance** is replaced by the following:

- (1) If you have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- (2) If there is other insurance covering the same loss or damage, other than that described in (1) above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- (3) Irrespective of Paragraphs h.(1) or (2) above, this Coverage Part is always excess of a "service agreement". We will pay only the amount of insured "loss" that is not covered by the "service agreement" in the form of repairs or other compensation. But we will not pay more than the applicable Limit of Insurance.

**i. Protective Safeguards**

You must maintain the protective safeguards stated by you to be in effect at a "premises" when this coverage began.

If you fail to keep the protective safeguards:

- 1) In working condition at a "premises"; and
- 2) In operation when you are closed to business;

Coverage for which the protective safeguards apply is automatically suspended at that "premises" if you fail to notify us immediately. This suspension will last until the equipment or services are back in operation.

**j. Recoveries**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, I. Recoveries** is replaced by the following:

- (1) Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
  - (a) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance plus the Deductible Amount, if any;
  - (b) Then to us, until we are reimbursed for the settlement made;
  - (c) Then to you, until you are reimbursed for that part of loss equal to the Deductible Amount, if any.
- (2) You will pay us the amount of all recoveries you receive for a "loss" paid by us. But any recoveries in excess of the amount we have paid belong to you.
- (3) Recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for our benefit.

**k. Transfer of Your Rights of Recovery Against Others to Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, K. Transfer of Rights of Recovery Against Others to Us** is replaced by the following:

You must transfer to us all of your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

**Section V - Definitions**

The following terms, when appearing in quotation marks, have the following meanings wherever used in this Coverage Part:

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.

2. "Business income" means the:
  - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses incurred, including payroll.
3. "Computer system" means a configuration of "hardware" and "electronic media and records", including "telecommunications equipment" which may be integrated into or connected to such "hardware", purposely designed to perform a particular function or functions.
4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
5. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
6. "Denial of service" means the malicious and intentional inundating of your "computer system" with messages, instructions, queries or requests that deplete resources enough to restrict, limit or prevent access for the purposes of nuisance, sabotage or malicious tampering which has the effect of:
  - a. Depleting system resources available through the Internet to authorized external users of your "computer system"; and
  - b. Impeding Internet access of authorized external users to your "computer system".
7. "Electronic media and records" means information, facts, instructions, concepts and programs converted and stored in a form usable in "hardware". It also includes the materials, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs, upon which such information, facts, instructions, concepts and programs are recorded and stored.
8. "Electronic securities" means any share, participation, or other interest in property of, or an enterprise of, the issuer or an obligation of the issuer which:
  - a. Is a type commonly dealt in upon securities exchanges or markets;
  - b. Is either one of a class or series or by its terms divisible into a class or series of shares, participations, interests, or obligations; and
    - (1) Is not represented by an instrument;
    - (2) Is part of a master or global certificate; or
    - (3) Represents a paper certificate that has been surrendered by a financial institution and which paper certificate has been combined into a master depository note and the paper certificates are immobilized and such security is shown as an electronic entry on the account of the transferor, pledgor, or pledgee on the books of a Central Depository.
9. "Evidences of debt" means instruments executed by your customer and held by you which in the regular course of business are treated as evidencing the customer's debt to you, including records of charges and accounts receivable.
10. "Extra expense" means the necessary and reasonable expenses you incur during the "period of restoration" that you would not have incurred if there had been no "loss" due to a Covered Cause of Loss to Covered Property.
11. "Hardware" means an assemblage of electronic machine components capable of accepting and processing "electronic media and records" for the purpose of producing desired results.  
  
However, "hardware" does not include "telecommunications equipment".
12. "Loss" means:

- a. "Sudden and accidental" physical loss or physical damage; and
  - b. With respect only to "denial of service", "malicious code" or "unauthorized use", also includes "sudden and accidental" damage, loss of use, loss of access or loss of functionality.
13. "Loss establishment expenses" means actual and necessary expenses incurred at our request to assist you in establishing either the existence or the amount of loss insured under this Coverage Part.
14. "Malicious code" means a computer code created for the purpose of destroying, corrupting or otherwise adversely affecting a "computer system".
15. "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blow-out.
16. "Money" means:
- a. Currency, coins, and bank notes in current use and having a face value;
  - b. Travelers checks, registered checks, and money orders held for sale to the public; and
  - c. Electronic cash equivalents.
17. "Occurrence" means an act or event or a series of related acts or events that result in a Covered Cause of Loss.
18. "Operations" means your business activities occurring at the "premises".
19. "Other property" means any tangible property of value other than "money", "securities", "electronic securities", or "electronic media and records".
- However, "other property" does not include copyrights, patents, trademarks, trade secrets or other intellectual property.
20. "Period of restoration" means that period of time that:
- a. Begins with the end of the time deductible for Coverage B referenced in the Declarations. Such deductible commences on the date and time of direct "loss" to Covered Property due to a Covered Cause of Loss; and
  - b. Ends on the earlier of:
    - (1) The date you could restore your "operations", with reasonable speed, to the condition that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or
    - (2) As long as it would reasonably take to repair, rebuild or replace the damaged Covered Property.
21. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
22. "Premises" means any building you lease, rent or own and while you occupy it in conducting your business.
23. "Production equipment" means any machinery and related components, including any integrated or dedicated "computer system", which is used, or can be used, to produce or process other tangible property.
24. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or "other property" and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - b. "Evidences of debt" issued in connection with credit or charge cards not issued by you.
25. "Service agreement" means a service plan or warranty, or other similar service or warranty agreement, even if it is characterized as insurance.
26. "Specified causes of loss" means: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
- a. Sinkhole collapse means the "sudden and accidental" sinking or collapse of

- land into underground empty spaces created by the action of water on limestone or dolomite. This cause of "loss" does not include:
- (1) The cost of filling sinkholes; or
  - (2) Sinking or collapse of land into manmade underground cavities.
- b.** Falling objects does not include "loss" to:
- (1) Covered Property in the open; or
  - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c.** Water damage means "sudden and accidental" discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
- 27.** "Sudden and accidental" means abrupt, immediate and brief as well as unintended and unexpected and without prior notice.
- 28.** "Suspension" means the complete or partial cessation of your business activities.
- 29.** "Telecommunications equipment" means telephones, including any related switching systems or similar equipment, fax machines and other similar equipment used to transmit voice or "electronic media and records" communications over telephone lines, data lines or air waves.
- However, "telecommunications equipment" does not include "hardware".
- 30.** "Temporarily" means:
- a.** Not permanently; and
  - b.** For a period of 30 consecutive days or less.
- 31.** "Unauthorized use" means:
- a.** Illegal or malicious entry into your "computer system" by a person not authorized to do so by you which results in the distortion or corruption of such "computer system"; or
  - b.** Entry into or use of your "computer system" by a party:
    - (1) Not authorized by you to do so; or
    - (2) Authorized by you to do so, but who does so to use it in an unauthorized manner,

Which results in the distortion or corruption of your "computer system".
- 32.** "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**C. Duties in the Event of Loss**

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
5. Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our consent.
6. Permit us to inspect the property and records proving "loss".

7. If requested, permit us to question you under oath, at such times as may be reasonably required, about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Promptly send us any legal papers or notices received concerning the "loss".
10. Cooperate with us in the investigation or settlement of the claim.

**D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

**E. Loss Payment**

We will pay or make good any "loss" covered under this Coverage Part within 30 days after:

1. We reach agreement with you;
2. The entry of final judgment; or
3. The filing of an appraisal award.

We will not be liable for any part of a "loss" that has been paid or made good by others.

**F. Other Insurance**

If you have other insurance covering the same "loss" as the insurance under this Coverage Part, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not.

**G. Pair, Sets or Parts**

**1. Pair or Set**

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

**2. Parts**

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**H. Privilege to Adjust with Owner**

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

**I. Recoveries**

Any recovery or salvage on a "loss" will accrue entirely to our benefit until the sum paid by us has been made up.

**J. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which event we will refund the unearned premium on that item.

**K. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them.

**GENERAL CONDITIONS****A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;

3. Your interest in the Covered Property; or

4. A claim under this Coverage Part.

**B. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the "loss".

**C. Liberalization**

If, within 45 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

**D. No Benefit to Bailee**

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

**E. Policy Period**

We cover "loss" commencing during the policy period shown in the Declarations.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before "loss"; or
3. The cost of replacing that property with substantially identical property.

In the event of "loss", the value of property will be determined as of the time of "loss".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)  
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE PART**

**Section IV - Additional Conditions, 3. Common Conditions** is amended to include the following:

**Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

**THE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**SIGNS COVERAGE PART DECLARATIONS**

Attached to and forming part of POLICY NUMBER: <b>CPP 107 57 01</b> Effective Date: <b>05-01-2018</b>		
Named Insured: <b>IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS</b>		
Item	Location (address)	
	<b>REFER TO IA904</b>	
<b>COVERAGE PROVISIONS</b>		
Item	Lettering Location	Limit of Insurance
A.	<b>BLANKET LOCATIONS</b>	<b>\$ 175,000</b>
		\$ _____
		\$ _____
B.	All Covered Property at all locations	<b>\$ 175,000</b>
<b>DEDUCTIBLE</b>		
The Deductible amount is: <input type="checkbox"/> Full Coverage <input checked="" type="checkbox"/> 5%		
<b>COVERAGE PREMIUM: INCL</b>		
<b>FORMS AND / OR ENDORSEMENTS APPLICABLE TO SIGNS COVERAGE</b>		
<b>CM0028 07/90 MA135 11/99</b>		
<b>SPECIAL PROVISIONS (if any)</b>		

**QUICK REFERENCE**

**COMMERCIAL INLAND MARINE COVERAGE PART**

**READ YOUR POLICY CAREFULLY**

**DECLARATIONS PAGE**

Named Insured

Coverages and Limits of Insurance

**COVERAGE FORM(S)**

**A. COVERAGE**

1. Covered Property
2. Property Not Covered
3. Covered Causes of Loss
4. Additional Coverage - Collapse
5. Coverage Extensions (If Applicable)

**B. EXCLUSIONS**

- . Earthquake (If Applicable)
- . Governmental Action
- . Nuclear Hazard
- . War and Military Action
- . Water (If Applicable)
- . Other Exclusions

**C. LIMITS OF INSURANCE**

**D. DEDUCTIBLE (IF APPLICABLE)**

**E. ADDITIONAL CONDITIONS**

**F. DEFINITIONS**

**ENDORSEMENTS (IF APPLICABLE)**

**COMMERCIAL INLAND MARINE CONDITIONS**

**LOSS CONDITIONS**

- A. Abandonment
- B. Appraisal
- C. Duties in the Event of Loss
- D. Insurance Under Two or More Coverages
- E. Loss Payment
- F. Other Insurance
- G. Pair, Sets or Parts
- H. Privilege to Adjust With Owner
- I. Recoveries
- J. Reinstatement of Limit After Loss
- K. Transfer of Rights of Recovery Against Others to Us

**GENERAL CONDITIONS**

- A. Concealment, Misrepresentation or Fraud
- B. Legal Action Against Us
- C. Liberalization
- D. No Benefit to Bailee
- E. Policy Period
- F. Valuation

**COMMON POLICY CONDITIONS**

- A. Cancellation
- B. Changes
- C. Examination of Your Books and Records
- D. Inspections and Surveys
- E. Premiums
- F. Transfer of Your Rights and Duties Under this Policy

## SIGNS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F--DEFINITIONS.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

1. **COVERED PROPERTY**, as used in this Coverage Form, means:

- a. Your signs; and
- b. Similar property of others in your care, custody or control.

2. **PROPERTY NOT COVERED**

Covered Property does not include contraband, or property in the course of illegal transportation or trade.

3. **COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

4. **ADDITIONAL COVERAGE--COLLAPSE**

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

- a. Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; all only as covered in this Coverage Form;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;
- f. Use of defective materials or methods in construction, remodeling or renovating if the collapse occurs during the course of the construction, remodeling or renovating.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

### B. EXCLUSIONS

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss."

#### a. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

#### b. NUCLEAR HAZARD

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

#### c. WAR AND MILITARY ACTION

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for a "loss" caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.
- b. Breakage during transportation, or breakage during installation, repairing or dismantling.

But we do insure against such "loss" caused directly by fire, lightning, or by accident to the vehicle carrying the property if these causes of "loss" would be covered under this Coverage Form.

#### c. Dishonest acts by:

- (1) You, your employees or authorized representatives;

(2) Anyone else with an interest in the property, or their employees or authorized representatives; or

(3) Anyone else to whom the property is entrusted.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

But this exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire.

- d. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

- e. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

- f. Unauthorized instructions to transfer property to any person or to any place.

3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the "loss."

- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

- c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

of part or all of any property wherever located.

- d. Collapse except as provided in the Additional Coverage--Collapse section of this Coverage Form.

- e. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration; mechanical breakdown; dampness, cold or heat.

## C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

## D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

## E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

### 1. COVERAGE TERRITORY

We cover property wherever located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

### 2. COINSURANCE

All Covered Property, except property in transit, must be insured for its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the Limit of Insurance shown in the Declarations for all Covered Property at all locations bears to the total value of all property at all locations as of the time of "loss." This penalty will not apply to property in transit.

## F. DEFINITIONS

"Loss" means accidental loss or damage.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**C. Duties in the Event of Loss**

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
5. Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our consent.
6. Permit us to inspect the property and records proving "loss".

7. If requested, permit us to question you under oath, at such times as may be reasonably required, about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.

8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Promptly send us any legal papers or notices received concerning the "loss".

10. Cooperate with us in the investigation or settlement of the claim.

**D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

**E. Loss Payment**

We will pay or make good any "loss" covered under this Coverage Part within 30 days after:

1. We reach agreement with you;
2. The entry of final judgment; or
3. The filing of an appraisal award.

We will not be liable for any part of a "loss" that has been paid or made good by others.

**F. Other Insurance**

If you have other insurance covering the same "loss" as the insurance under this Coverage Part, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not.

**G. Pair, Sets or Parts**

1. Pair or Set

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

2. Parts

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**H. Privilege to Adjust with Owner**

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

**I. Recoveries**

Any recovery or salvage on a "loss" will accrue entirely to our benefit until the sum paid by us has been made up.

**J. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which event we will refund the unearned premium on that item.

**K. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them.

**GENERAL CONDITIONS****A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;

3. Your interest in the Covered Property; or

4. A claim under this Coverage Part.

**B. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the "loss".

**C. Liberalization**

If, within 45 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

**D. No Benefit to Bailee**

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

**E. Policy Period**

We cover "loss" commencing during the policy period shown in the Declarations.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before "loss"; or
3. The cost of replacing that property with substantially identical property.

In the event of "loss", the value of property will be determined as of the time of "loss".

PROFESSIONAL LIABILITY



**THE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**REAL ESTATE ERRORS AND OMISSIONS  
INSURANCE COVERAGE PART DECLARATIONS**

Attached to POLICY NUMBER: <b>CPP 107 57 01</b>		Effective Date: <b>05-01-2018</b>		
<b>Named Insured</b> is the same as it appears in the Common Policy Declarations unless another entry is made here.				
<b>Limits of Insurance</b>				
Each Professional Incident		<b>\$ 1,000,000</b>		
Aggregate		<b>\$ 1,000,000</b>		
<b>Deductible</b> - Each Professional Incident		<b>\$ 10,000</b>		
<b>CLASSIFICATION</b>	<b>CODE NO.</b>	<b>PREMIUM BASE</b> G - Gross Income E - Each	<b>RATE</b>	<b>ADVANCE PREMIUM</b>
Real Estate Services	25070	G) <b>2,088,067</b>	<b>.203</b>	<b>\$4,245</b>
Licensed Real Estate Agents	25070	E)		\$
Notary Public Errors and Omissions	25075	E)		\$
The Real Estate Errors and Omissions Insurance Coverage Part is subject to an annual minimum premium.	TOTAL ANNUAL PREMIUM			<b>\$4,245</b>
<b>FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:</b> <b>PA118 08/07 PA4015IN 12/03</b>				

# REAL ESTATE ERRORS AND OMISSIONS INSURANCE COVERAGE FORM - TABLE OF CONTENTS

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## REAL ESTATE ERRORS AND OMISSIONS INSURANCE COVERAGE FORM

Various provisions in this Coverage Part restrict coverage. Read the entire Coverage Part carefully to determine rights, duties and what is and what is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERAGE

#### 1. Insuring Agreement

- a. We will pay those sums, in excess of the deductible amount, as stated in the Declarations, that the insured becomes legally obligated to pay as "damages" due to injury caused by a "professional incident". We will have the right and duty to defend any "suit" seeking those "damages". However, we will have no duty to defend the insured against any "suit" seeking "damages" to which this insurance does not apply. We may, at our discretion, investigate any "professional incident" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for "damages" is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SECTION I - COVERAGE, Paragraph 3. Supplementary Payments**.

- b. This insurance applies to injury only if:
- (1) The "professional incident" takes place in the "coverage territory"; and
  - (2) The earlier of the following first occurs during the "coverage term":
    - (a) The first injury arising from the "interrelated injury" occurs; or

- (b) The first injury arising from the "interrelated injury" begins to occur.

#### 2. Exclusions

This insurance does not apply to:

##### a. Abuse or Molestation

Any liability based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual, alleged or threatened abuse or molestation of any person.

##### b. Aircraft, Auto or Watercraft

Injury arising out of the ownership, maintenance, operation, use, entrustment, loading or unloading of any motor vehicle, trailer, watercraft, or aircraft.

##### c. Asbestos

- (1) Injury arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner; or
- (2) Any claim or "suit" arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of asbestos.

##### d. Bodily Injury, Personal and Advertising Injury or Property Damage

"Bodily injury", "personal and advertising injury" or "property damage".

##### e. Common Control

A claim or "suit" made or brought by any entity or individual which:

- (1) Is wholly or partially owned, operated, managed, or controlled by any insured;
- (2) Did wholly or partially own, operate, manage, or control any insured; or
- (3) Is wholly or partially under the same ownership, operation, management, or financial control as the insured.

##### f. Contractual Liability

Any obligation or liability of others assumed by an insured under any contract or agreement, either oral or written, except to the extent the insured would have been liable in the absence of the contract or agreement.

**g. Deceptive Trade Practices and Anti-trust**

Any liability arising out of:

- (1) Intentional false advertising;
- (2) Unfair or deceptive trade practices;
- (3) Unfair competition;
- (4) Price fixing;
- (5) Restraint of trade; or
- (6) Violation of any antitrust law.

**h. Discrimination (Non-employment Related)**

Any liability arising out of or based upon the actual or alleged discrimination, humiliation, harassment or misconduct by any insured, or someone for whom an insured is legally liable, because of race, creed, color, age, gender, sex, sexual preference or orientation, national origin, religion, disability, handicap, marital status or any other class protected under federal, state, local or other law, which is unrelated to your statutory employment of the alleged injured party or parties.

**i. Dishonest, Fraudulent, Criminal or Malicious Acts**

Acts, errors or omissions of any insured, or anyone for whom the insured is legally liable, that are dishonest, fraudulent, criminal or malicious.

**j. Distribution of Material in Violation of Statutes**

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**k. Dual Agency**

Any liability arising out of or based upon any insured's, or someone for whom an insured is legally liable, activities as a dual agent in real estate transactions where an insured, or someone for whom

an insured is legally liable, failed to fully disclose their dual agency status in writing to all parties and where all parties did not consent to the dual agency in writing.

**l. ERISA**

Any liability arising out of:

- (1) Any insured's activities as a fiduciary under the Employee Retirement Income Security Act of 1974 and any amendments thereof or any regulation or orders issued pursuant thereto; or
- (2) Acts, errors or omissions of any insured which violate:
  - (a) The Employee Retirement Income Security Act of 1974 (ERISA); or
  - (b) The Pension Benefits Act and the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA),

including any amendments, regulations or enabling statutes pursuant thereto, or any similar federal, state, or provincial statute or regulation.

**m. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured sustained in the "workplace";
- (2) An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

**n. Employment-Related Practices**

Injury to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or

(c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of injury to that person at whom any of the employment-related practices described in Paragraphs (1)(a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

**o. Expected or Intended Injury**

Liability for injury or damage which may reasonably be expected to result from the intentional or criminal acts of an insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

**p. Failure to Insure**

Any claim arising out of the failure to effect or maintain adequate insurance.

**q. Fungi or Bacteria**

- (1) Any liability caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:
  - (a) Inhalation of;
  - (b) Ingestion of;
  - (c) Contact with;
  - (d) Absorption of;
  - (e) Exposure to;
  - (f) Existence of; or
  - (g) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

(2) Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;

(3) Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (a) The existence of "fungi" or bacteria;
- (b) The prevention of "fungi" or bacteria;
- (c) The remediation of "fungi" or bacteria; or
- (d) Any operation described in Paragraph k.(2) above; or

(4) Any obligation to share "damages" with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs q.(1), (2) or (3) above;

regardless of any other cause, event, material, product and / or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

**r. Future Valuations**

Any liability arising out of or based upon feasibility studies, future market valuations or any promise, guaranty, representation or warranty, either expressed or implied, made by any insured or anyone for whom an insured is legally liable, pertaining to the future values of real property or investments.

**s. Improper Notarization**

The certification or acknowledgement of a signature by an insured acting as a notary without the proper compliance with

the applicable laws and regulations of the state having jurisdiction.

**t. Insured Versus Insured**

Liability arising out of injury suffered by an insured.

**u. Lead, Radon or Electromagnetic Fields**

(1) Any claim or "suit" arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead, radon or electromagnetic field of any frequency in any form emanating from any source.

(2) Any loss, cost or expense arising out of, resulting from or in any way related to any:

(a) Claim, "suit", request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead, radon or electromagnetic field of any frequency in any form;

(b) Claim or "suit" by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating or detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead, radon or electromagnetic field of any frequency in any form.

(3) Any claim or "suit" arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of lead, radon or electromagnetic field of any frequency.

**v. Money Received**

Any liability for money received by any insured or credited to any insured for fees, premiums, taxes, commissions, loss payments, or escrow or brokerage monies.

**w. Nuclear**

Any liability based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the hazardous properties, including ra-

dioactive, toxic or explosive properties, of any nuclear material. Nuclear material means any source material, special nuclear material, or by-product materials as those terms are defined under the Atomic Energy Act of 1954 or any amendments thereto.

**x. Other Operations**

Any liability arising out of or based upon the interests, operations or activities of any insured, or someone for whom an insured is legally liable, that is not specifically provided for in the definition of "professional real estate services".

**y. Owned or Developed Property**

Any liability arising out of or based upon the rendering of "professional real estate services" for property developed, constructed, owned or to be purchased by any insured or by any entity in which any insured has a financial interest, or by any entity coming under the same financial control as any insured. This exclusion shall not apply to claims or "suits" arising out of:

(1) The sale of real property that was acquired by you under a written "guaranteed sale listing contract"; and title was held by you for less than one year from the acquisition to resale; and the property was continually offered for sale by you from acquisition to resale;

(2) The rendering of "professional real estate services" for real property where the combined ownership of all insureds is less than ten (10) percent; or

(3) The sale of a residential property owned by any insured for more than 180 days provided a state or local board approved standard sales contract was utilized in conjunction with the sale and prior to the closing the buyers received all of the following:

(a) A written Home Inspection Report issued by an ASHI, NAHI or CREIA member inspector;

(b) A home warranty policy; and

(c) A seller disclosure form signed by the insured.

**z. Pollutant**

(1) Any liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollut-

ants", including any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants"; or

- (2) Any claim or "suit" arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of "pollutants".

#### **aa. Property Investment Activities**

Any liability arising out of or based upon the formation, promotion, syndication, operation or administration of any property syndication, real estate investment trust or any corporation, general or limited partnership or joint venture formed for the purpose of investing in, buying, selling or maintaining real property including those syndication, trusts, real estate investment trusts, corporations, partnerships or joint ventures in which any insured has, had or intended to have a participating interest directly or indirectly in the profits or losses thereof.

#### **bb. RICO**

Any violation of the Racketeer Influenced and Corrupt Organizations Act (RICO), including any amendments, regulations or enabling statutes pursuant thereto, or any similar federal, state, or provincial statute or regulation.

#### **cc. Securities Actions**

Any liability arising out of:

- (1) Any security or any activities or transactions subject or claimed to be subject in whole or in part to the Securities Act of 1933, The Securities Exchange Act of 1934, The Public Utility Holding Company Act of 1935, The Trust Indenture Act of 1939, The Investment Company Act of 1940 or The Investment Advisors Act of 1940; or,

- (2) Any purchase, sale or offering of any security to or from the public which is subject or claimed to be subject to any State Blue Sky or Securities Law,

or any rules or regulations issued pursuant to any of the aforementioned, all as heretofore or hereafter amended or replaced, without regard to the legal theory upon which any claim arising in connection therewith against any insured might be based or made.

#### **dd. War**

Injury, however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

#### **ee. Workers' Compensation and Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### **3. Supplementary Payments**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- c. The cost of bonds to release attachments but only for bond amounts within the applicable limit of insurance. We do not have to furnish bonds.
- d. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- e. Prejudgment interest awarded against the insured on that part of the judgment



we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest that is based on the period of time after the offer.

- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

## SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
  - a. An individual, you are an insured, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members and partners are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured.
  - a. Non-"employee" duly licensed real estate agents operating under your broker's license, but only during their period of affiliation with you and only in relation to real estate transactions handled through you.
  - b. Your "employees" are insureds, but only while acting within the scope of their duties as such.
  - c. The heirs, executors, administrators, or legal representatives of each insured in the event of their death, incapacity, or bankruptcy, but only with respect to the

liability of each insured as covered herein.

- d. The legally recognized spouse of any insured, but only:
  - (1) With respect to "professional incidents" actually or allegedly committed by that insured; and
  - (2) By reason of such spouse's status as spouse of that insured.

Notwithstanding this provision, no spouse shall have any greater insurance coverage under this Coverage Part than the insured to whom such spouse is married. This provision does not extend insurance coverage for "professional incidents" actually or allegedly committed by the spouse of any insured.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - b. Insurance coverage does not apply to "professional incidents" that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

## SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of all "damages" for all claims or "suits" to which this insurance applies.
3. The Each Professional Incident Limit is the most we will pay for the sum of all "damages" arising out of "interrelated injury".
4. Our obligation to pay "damages" resulting from claims or "suits" arising out of a "profes-

sional incident" or "interrelated professional incidents" applies only to the amount of "damages" in excess of the deductible amount, if any, stated in the Declarations.

However, the deductible does not apply to **SECTION I - COVERAGE**, Paragraph 3. **Supplementary Payments**.

5. If we have paid any amounts in settlement or satisfaction of claims or judgments in excess of the limit of insurance, or within the amount of the deductible, the insureds, jointly and severally, shall be liable to us for any and all such amounts, including reasonable fees and expenses incurred by us in collecting those amounts.

The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

#### **SECTION IV - CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties in the Event of Professional Incident, Claim or Suit**

- a. You must see to it that we are notified promptly if you become aware of a "professional incident" which would reasonably be expected to be the basis of a claim or "suit" covered by this insurance. Notice shall include the fullest information obtainable.
- b. If a claim is made or "suit" is brought against any insured, you must see to it that we receive prompt written notice of the claim or "suit".
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the claim or "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insureds will, except at that insured's own cost, voluntarily make a payment,

assume any obligation, or incur any expense without our written consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for "damages" from an insured; or
- b. To sue us under this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on final judgment against an insured obtained after an actual trial; but we will not be liable for "damages" that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

##### **4. Liberalization**

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

##### **5. Multi-Year Policies**

If this Coverage Part is issued for more than one year, the premium shall be computed annually based on our rates or premiums in effect at each anniversary.

##### **6. Other Insurance**

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

**7. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If:
  - (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
  - (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**8. Representations**

By accepting this policy, you agree:

- a. The statements in the Errors and Omissions Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**9. Separation of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**10. Transfer of Rights of Recovery Against Others to Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after a "professional incident" to impair them. At our request, the insured will bring legal action or transfer those rights to us and help us enforce them.

**11. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast, telecast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Bodily injury" means injury to the body, sickness or disease sustained by any person, including death resulting from any of these at any time; including any mental injury, mental anguish, mental tension, emotional distress, pain or suffering or shock sustained by any person, whether or not resulting from injury to the body, sickness, disease or death of any person.
3. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is

- extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
4. "Coverage territory" means anywhere in the world, provided the original claim or "suit" for such "damages" is brought within the United States of America, its territories or possessions, Puerto Rico or Canada.
  5. "Damages" means the compensatory monetary portion of any judgment, award or settlement, provided such settlement is negotiated with our assistance and approval. "Damages" shall not include:
    - a. Compensation for "property damage";
    - b. Personal profit or advantage to which the insured was not legally entitled;
    - c. Criminal or civil fines, taxes, penalties (statutory or otherwise), fees or sanctions;
    - d. Punitive, exemplary or multiple damages;
    - e. Matters deemed uninsurable by law;
    - f. Amounts held in escrow or otherwise on behalf of clients or third parties; or
    - g. Any form of equitable or non-monetary relief.
  6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
  7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
  8. "Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.
  9. "Guaranteed sale listing contract" means a written agreement between you and the seller of the property, whereby you agree to purchase the property if it is not sold within the time frame specified in the listing agreement.
  10. "Interrelated injury" means all causally connected injury or injuries arising from a "professional incident" or "interrelated professional incidents".
  11. "Interrelated professional incidents" means "professional incidents" which arise out of and have as a common basis:
    - a. Related circumstances, situations, events, transactions or facts;
    - b. A series of related circumstances, situations, events, transactions or facts; or
    - c. A common pattern of conduct in selling, providing or servicing products or services to which this insurance applies.
  12. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
  13. "Personal and advertising injury" means injury, including "bodily injury", arising out of one or more of the following offenses:
    - a. False arrest, detention or imprisonment;
    - b. Malicious prosecution;
    - c. Abuse of process;
    - d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
    - e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
    - f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
    - g. The use of another's advertising idea in your "advertisement";
    - h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
    - i. Discrimination.
  14. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:
    - a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or

- b.** The insured uses, generates or produces the "pollutant".
- 15.** "Professional incident" means a negligent act, error or omission of an insured, or someone for whom an insured is legally liable, in rendering or failing to render "professional real estate services".
- 16.** "Professional real estate services" means services performed by you or on your behalf for others as:
  - a.** Real estate broker, real estate agent, real estate sales person, real estate personal assistant, real estate independent contractor, auctioneer of real property;
  - b.** Real estate consultant or counselor;
  - c.** Real estate appraiser;
  - d.** Real estate leasing agent or property manager;
  - e.** Mortgage broker or business broker; or
  - f.** Notary public or member of a formal real estate accreditation, real estate standards review or similar real estate board or real estate committee.
- 17.** "Property damage" means:
  - a.** Injury or damage, of any nature, to tangible or intangible property, including all resulting loss of use of that property; or
  - b.** Loss of or loss of use of tangible or intangible property that is not otherwise injured or damaged.
- 18.** "Suit" means a civil proceeding in which "damages" because of injury to which this insurance applies are alleged. "Suit" includes:
  - a.** An arbitration proceeding in which such "damages" are claimed and to which the insured must submit or does submit with our consent;
  - b.** Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the insured submits with our consent; or
  - c.** An appeal of a civil proceeding.
- 19.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 20.** "Workplace" means that place and during such hours to which the "employee" sustaining injury was assigned by you, or any other person or entity acting on your behalf, to work on the date of injury.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **PROFESSIONAL LIABILITY COVERAGE PART**

- A.** Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

#### **POLICIES IN EFFECT**

**a. For 90 Days or Less**

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation to be received at least 30 days before the effective date of cancellation.

**b. For More Than 90 Days**

If this policy has been in effect more than 90 days, or is a renewal of a policy we issued, we may cancel this policy, only for one or more of the reasons below, by mailing or delivering to the first Named Insured written notice of cancellation to be received at least:

- (1)** 30 days before the effective date of cancellation if we cancel for non-payment of premium;
- (2)** 30 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us; or
- (3)** 45 days before the effective date of cancellation if:

- (a)** There has been a substantial change in the scale of risk covered by this policy;

- (b)** Reinsurance of the risk associated with this policy has been cancelled 30 days before the effective date of cancellation if we cancel for any other reason; or

- (c)** You have failed to comply with reasonable safety recommendations.

- B.** The following is added to the Common Policy Conditions and supersedes any provision to the contrary.

#### **NONRENEWAL**

- 1.** If we elect not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal at least 45 days before:
  - a.** The expiration date of this policy, if the policy is written for a term of one year or less; or
  - b.** The anniversary date of this policy, if the policy is written for a term of more than one year.
- 2.** We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

**AUTOMOBILE**

**THE CINCINNATI INSURANCE COMPANY**

CINCINNATI, OHIO

**BUSINESS AUTO COVERAGE PART DECLARATIONS**

<b>ITEM ONE</b>			
Attached to and forming part of POLICY NUMBER: <u>CPA 107 57 01</u>		Effective Date: <u>05-01-2018</u>	
Named Insured: <b>IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS</b>			
<b>ITEM TWO SCHEDULE OF COVERAGES AND COVERED AUTOS</b>			
This coverage part provides only those coverages where a premium or "incl" is shown in the premium column below. The limit of insurance for each coverage listed is subject to all applicable policy provisions. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.			
COVERAGES	COVERED AUTOS (Entry of one or more of the symbols from the COVERED AUTOS Section of the Business Auto Coverage Form shows which autos are covered autos)	LIMIT THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	PREMIUM
LIABILITY	7, 8, 9	\$ 1,000,000	INCL
PERSONAL INJURY PROTECTION (or equivalent No-fault coverage)		Separately stated in each P.I.P. endorsement minus \$ Ded.	
ADDED PERSONAL INJURY PROTECTION (or equivalent added No-fault coverage)		Separately stated in each added P.I.P. endorsement	
PROPERTY PROTECTION INSURANCE (Michigan only)		Separately stated in each P. P.I. endorsement minus \$ Ded for each accident	
AUTO. MEDICAL PAYMENTS	7	\$ 1,000	INCL
UNINSURED MOTORISTS	7	\$ 1,000,000	INCL
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)		\$	
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7, 8	Actual cash value or cost of repair, Whichever is less minus \$SEE AA218 Ded. For each covered auto. But no Deductible applies to loss caused by Fire or lightning. See Item Three for hired or borrowed "autos"	INCL
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		Actual cash value or cost of repair, Whichever is less minus \$ Ded. For Each covered auto. For loss caused by mischief or vandalism. See Item Three for hired or borrowed "autos"	
PHYSICAL DAMAGE COLLISION COVERAGE	7, 8	Actual cash value or cost of repair, Whichever is less minus \$SEE AA218 Ded for each covered auto. See Item Three for hired or borrowed "autos".	INCL
PHYSICAL DAMAGE INSURANCE TOWING AND LABOR		\$ for each disablement of a private passenger auto	
PREMIUM FOR ENDORSEMENTS			
*ESTIMATED TOTAL PREMIUM			INCL
FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION: REFER TO AA901			

\* This policy may be subject to final audit



# QUICK REFERENCE

## COMMERCIAL AUTO COVERAGE PART

### BUSINESS AUTO COVERAGE FORM

**READ YOUR POLICY CAREFULLY**

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 Policy Period  
 Description of Business  
 Coverages and Limits of Insurance

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL AUTOMOBILE COVERAGE  
SUPPLEMENTAL ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE PART**

**FORMS AND/OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:**

<b>AA901</b>	<b>01/92</b>	<b>AA218</b>	<b>03/06</b>	<b>AA101</b>	<b>03/06</b>	<b>AA296</b>	<b>07/12</b>
<b>CA0119</b>	<b>07/09</b>	<b>AA4078IN</b>	<b>12/15</b>	<b>AA4170IN</b>	<b>12/15</b>	<b>AA484IN</b>	<b>12/15</b>
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## BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description of Covered Auto Designation Symbols

SYMBOL	DESCRIPTION
1 =	ANY "AUTO".
2 =	OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3 =	OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4 =	OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5 =	OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6 =	OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where

they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

7 = SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to a power unit described in ITEM THREE).

8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

#### B. Owned Autos You Acquire After the Policy Begins

1. If Symbols 1, 2, 3, 4, 5, or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.

2. But, if Symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:

a. We already cover all "autos" that you own for that coverage or it replaces

an "auto" you previously owned that had that coverage; and

- b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

### C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.

2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

## SECTION II - LIABILITY COVERAGE

### A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

#### 1. Who is an Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a cov-

ered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

#### 2. Coverage Extensions

##### a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) re-

quired because of an "accident" we cover. We do not have to furnish these bonds.

- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

#### **b. Out-of-State Coverage Extensions**

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

#### **B. Exclusions**

This insurance does not apply to any of the following:

#### **1. Expected or Intended Injury**

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the "insured" or which is in fact expected or intended by the "insured", even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

#### **2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

#### **3. Workers' Compensation**

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

#### **4. Employee Indemnification and Employer's Liability**

"Bodily injury" to:

- a. An "employee" of the "insured" sustained in the "workplace";
- b. An "employee" of the "insured" arising out of the performance of duties related to the conduct of the "insured's" business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. or b. above.

This Exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract" other than a contract or agreement with a labor leasing firm. For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### 5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

#### 6. Care, Custody or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### 7. Handling of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### 8. Movement of Property by Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### 9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor ve-

hicle insurance law where it is licensed or principally garaged.

#### 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

#### 11. Pollutant

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or

- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** of this exclusion does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

However, this exception to Paragraph **a.** does not apply if the fuels, lubricants, fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed or released.

Paragraphs **b.** and **c.** of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (1) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
- (2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

Subparagraph **d.(1)** does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor.

## 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

## 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This

insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

### C. Limit of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

### D. Mobile Equipment Subject to Motor Vehicle Insurance Laws

As respects **SECTION II - LIABILITY COVERAGE** any land vehicle, which would qualify as "mobile equipment", except that it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, is considered a covered "auto" under **SECTION II - LIABILITY COVERAGE**, irrespective of the Auto Designation Symbols shown for **SECTION II - LIABILITY COVERAGE** in the Declarations.

## SECTION III - PHYSICAL DAMAGE COVERAGE

### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

#### a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### b. Specified Causes of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

#### c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

### 2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs

incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

### 3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

### 4. Coverage Extensions

#### a. Transportation Expenses

We will also pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered



"auto" is returned to use or we pay for its "loss".

in hindering or defending against any of these.

**b. Loss of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

**B. Exclusions**

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

**b. War or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown; or
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
- (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

#### C. Limit of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

### SECTION IV - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

#### A. Loss Conditions

##### 1. Appraisal for Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

##### 2. Duties in the Event of Accident, Claim, Suit or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and

- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

- (4) Authorize us to obtain medical records or other pertinent information.

- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

### 3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

### 4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

### 5. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Cov-

erage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

## B. General Conditions

### 1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

### 2. Concealment, Misrepresentation or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

### 3. Liberalization

If within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### 4. No Benefit to Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

**5. Other Insurance**

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:
  - (1) Excess while it is connected to a motor vehicle you do not own.
  - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

**6. Premium Audit**

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

**7. Policy Period, Coverage Territory**

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the Policy Period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:
  - (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
  - (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

**8. Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

**SECTION V - DEFINITIONS**

**A.** "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

**B.** "Auto" means:

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

**C.** "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

**D.** "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

**a.** That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

**b.** Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place

where they are accepted by the "insured" for movement into or onto the covered "auto"; or

**c.** After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants" is caused directly by such upset, overturn or damage.

**E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

**F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

**G.** "Insured" means any person or organization qualifying as an insured in the Who is an Insured provision of the applicable coverage.

Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

**H. "Insured contract":**

**1. Means:**

- a.** A lease of premises;
- b.** A sidetrack agreement;
- c.** An easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
- f.** That part of any other contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

**2. Does not include that part of any contract or agreement:**

- a.** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- b.** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

- c.** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".

- J.** "Loss" means direct and accidental loss or damage.

- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- 1.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2.** Vehicles maintained for use solely on or next to premises you own or rent;
- 3.** Vehicles that travel on crawler treads;
- 4.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a.** Power cranes, shovels, loaders, diggers or drills; or
  - b.** Road construction or resurfacing equipment such as graders, scrapers or rollers.
- 5.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - b.** Cherry pickers and similar devices used to raise or lower workers.
- 6.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a.** Equipment designed primarily for:

- (1) Snow removal;
  - (2) Road maintenance, but not construction or resurfacing; or
  - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".
- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and their by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
    - 1. The "insured" is regularly or otherwise engaged in activities which taint or degrade the environment; or
    - 2. The "insured" uses, generates or produces the "pollutant".
  - M. "Property damage" means damage to or loss of use of tangible property.
  - N. "Suit" means a civil proceeding in which:
    - 1. Damages because of "bodily injury" or "property damage"; or
    - 2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

    - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
    - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
  - O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
  - P. "Trailer" includes semitrailer.
  - Q. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of the "accident".

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

- 1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

ous properties" of "nuclear facility" by any person or organization.

**C.** Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2.** As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "byproduct material";

"Source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been

used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material **(a)** containing "byproduct material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations:

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

This endorsement modifies insurance provided by the following:

### **BUSINESS AUTO COVERAGE FORM**

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

**1. SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 4.** is deleted in its entirety and replaced with:

**4.** We will not pay for "loss" to any of the following:

- a.** Tapes, records, discs or similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b.** Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c.** Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d.** Any accessories used with the electronic equipment described in Paragraph **c.** above.

Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a.** Permanently installed in or upon the covered "auto";
- b.** Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c.** An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or
- d.** Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

**2. SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limits of Insurance, 1.** is deleted in its entirety and replaced with:

**1.** The most we will pay for:

- a.** "Loss" to any covered "auto" is the lesser of;
  - (1)** The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - (2)** The cost of repairing or replacing the damaged or stolen property with other property of like kind or quality.
- b.** All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss", is up to \$1,000, if, at the time of "loss", such electronic equipment is:
  - (1)** Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
  - (2)** Removable from a permanently installed housing unit as described in Paragraph **b.1.** above; or
  - (3)** An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.

**3. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE ADDED LIMITS**

The sub-limit in Paragraph **1.b.** above is in addition to the Limit of Insurance shown in the Schedule of the Audio, Visual and Data Equipment Coverage endorsement, if purchased.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****INDIANA CHANGES**

For a covered "auto" licensed in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement or to any amendment to or replacement thereof, the provisions of the coverage form apply unless modified by the endorsement.

**Changes In Conditions**

- A.** Except as provided in Paragraph **B.** of this endorsement, **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is changed by adding the following and supersedes any provision to the contrary:

If there is other applicable insurance available under one or more policies or provisions of coverage, any insurance we provide for any covered "auto" owned by an "insured" is primary and shall first be exhausted.

- B.** **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is changed by adding the following:

1. When two coverage forms providing liability coverage apply to an "auto" and:
  - a. One provides coverage to a named insured engaged in the business of selling, repairing, servicing, delivering, testing, road testing, parking or storing "autos"; and

- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" a person described in **1.b.** is operating an "auto" owned by the business described in **1.a.**, then that person's liability coverage is primary and the coverage form issued to a business described in **1.a.** is excess over any coverage available to that person.

2. When two coverage forms providing liability coverage apply to an "auto" and:

- a. One provides coverage to a named insured engaged in the business of repairing, servicing, parking or storing "autos"; and
- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" an "insured" under the coverage form described in **2.a.** is operating an "auto" owned by a person described in **2.b.**, then the liability coverage form issued to the business described in **2.a.** is primary and the coverage form issued to a person described in **2.b.** is excess over any coverage available to the business.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## INDIANA UNDERINSURED MOTORIST COVERAGE

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as the Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named Insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below:

Endorsement Effective: <b>05-01-2018</b>	Policy Number: <b>CPA 107 57 01</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	

### SCHEDULE

"Bodily Injury"	\$	Each "Accident"
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(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

#### **A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "underinsured motor vehicle". The damage must result from "bodily injury" sustained by the "insured" and caused by an "accident" with an "underinsured motor vehicle".

The owner's or operator's liability for this damage must result from the ownership, maintenance or use of the "underinsured motor vehicle".

2. We will pay under this endorsement only if
  - a. The limits of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or
  - b. Tentative settlement has been made between an "insured" and the insurer of an "underinsured motor vehicle" which would exhaust the limits of liability under any applicable bond or policy, and we:

- (1) Have been given prompt written notice of such tentative settlement; and

- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after the receipt of notification.

3. Any judgment for damages arising out of a "suit" brought without our written consent to both the "suit" and the judgment is not binding on us.

#### **B. Who is an Insured**

The following are "insureds":

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds":
  - a. Natural persons specially listed as a Named Insured on this endorsement.
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement.

- c. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - d. Any natural person, but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraphs **B.1.a., b. or c.**
  - e. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
- 2. If an entity other than a natural person is listed as a Named Insured on this endorsement, the following persons are "insureds":
    - a. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
    - b. Any natural person is an "insured", but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph **B.2.a.**
    - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
  - 3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown in the endorsement.
  - 4. Anyone for injuries incurred while "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its break down, repair, servicing, "loss" or destruction.
  - 5. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

### C. Exclusions

This insurance does not apply to:

- 1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits, or similar laws.
- 3. The direct or indirect benefit of any insurer of property.
- 4. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly acquired or replacement "motor vehicle" covered under the terms of the Coverage Form.
- 5. "Bodily injury" suffered by any person while operating or "occupying" a "motor vehicle" without a reasonable belief that he or she is entitled to do so. Under no circumstances will a person whose license has been suspended, revoked or never issued be held to have a reasonable belief that he or she is entitled to operate a "motor vehicle".
- 6. Punitive or exemplary damages.
- 7. "Noneconomic loss" sustained by any "insured" if such "insured" is an uninsured motorist with a previous violation as defined in Indiana Code Section 27-7-5.1.

However, Exclusion **C.7.** does not apply to an "insured" under 18 years of age.

### D. Limit of Insurance

- 1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services, or death due to and arising out of any one "accident" is the limit of **Underinsured Motorist Coverage** shown in the Schedule or the Declarations.
- 2. The limit of insurance provided in this endorsement shall be reduced by all sums available for payment to the "insured" for "bodily injury" under all liability bonds or policies covering persons or organizations legally liable for the "accident".

3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement and any Liability Coverage Form or Medical Payments Coverage endorsement attached to this Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits, or similar laws, including medical payments made under any statute.

4. No "insured" shall recover duplicate payments for the same elements of "loss" or payments in excess of damages sustained.

#### E. Changes in Conditions

The **Conditions** for **Indiana Underinsured Motorist Coverage** are changed as follows:

1. **Other Insurance Condition** in the Business Auto and Garage Coverage Forms is changed as follows:

If there is other applicable insurance available under one or more policies or provisions of coverage, the following priorities of coverage apply:

<b>FIRST PRIORITY</b>	The Underinsured Motorist Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
<b>SECOND PRIORITY</b>	Any other Coverage Form or policy affording Underinsured Motorist Coverage to the "insured".

- a. The limit of insurance under the "motor vehicle" the "insured" was "occupying" under the Coverage Form or policy in the first priority shall first be exhausted.
- b. The maximum recovery for damages under all Coverage Forms or policies may equal but shall not exceed the highest applicable limit of any one "motor vehicle" under any insurance providing coverage on either a first or second priority basis.
- c. We will pay only our share of the "loss". Our share is the proportion that our limit of liability bears to the total of all limits applicable to the same level of priority.

2. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- a. You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought;
- b. You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of the claim or "suit". Cooperation includes, but is not limited to, identifying all parties who may be responsible for the accident and all insurers who may be obligated to provide coverage; and
- c. A person seeking Underinsured Motorist Coverage must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer of the "underinsured motor vehicle", and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the person(s) or organization(s) who may be legally responsible for the "accident", or the insurer, owner or operator of such "underinsured motor vehicle".

3. **Transfer of Rights of Recovery Against Others To Us** is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. Our rights do not apply under this provision if we:
  - (1) Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of the "underinsured motor vehicle"; and
  - (2) Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of such notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after notification:

  - (a) That payment will be separate from any amount the "insured" is entitled to recover under the provisions of this coverage; and

(b) We also have the right to recover the advance payment from the insured or the owner or operator of the "underinsured motor vehicle".

c. If we make a payment because the insurer of the "underinsured motor vehicle" is or becomes insolvent, the **Transfer of Rights of Recovery Against Others To Us** Condition does not apply to any rights of recovery against:

- (1) The Indiana Guaranty Fund; or
- (2) The insured of the insolvent insurer, except in amounts that exceed the limit of liability of the Coverage Form or policy that was issued by that insolvent insurer.

#### 4. Legal Action Against Us

No lawsuit or action whatsoever or any proceeding in arbitration shall be brought against us for the recovery of any claim under the provisions of the Underinsured Motorist Coverage of this coverage form unless the "insured" has satisfied all of the things that "insured" is required to do under this endorsement. Any claim or suit for Underinsured Motorist Coverage must be brought within two (2) years from the date of the accident.

5. The following Condition is added:

#### ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or operator of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured" then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply.

A decision agreed to by two of the arbitrators will be binding as to:

(1) Whether the "insured" is legally entitled to recover damages from a party responsible for the "accident"; and

(2) The amount of damages.

This applies only if the amount does not exceed the minimum limit for liability specified by the financial responsibility law of Indiana. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made in 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

#### F. Additional Definitions

As used on this endorsement:

1. "Family member" means a natural person who is related to and is a resident of the same household as a natural person shown as a Named Insured in this endorsement. Such relation may be by blood, marriage or adoption, and may include a ward or foster child.
2. "Motor vehicle" means a self-propelled vehicle designed for use and principally used on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. "Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails or any similar vehicle.
3. "Noneconomic loss" means costs for physical and emotional pain and suffering, physical impairment, emotional distress, mental anguish, loss of enjoyment, loss of companionship, services and consortium, and any other noneconomic damages.
4. "Occupying" means in, upon, getting in, on, out or off.
5. "Underinsured motor vehicle" means a land "motor vehicle" or "trailer" for which the sum of all liability bonds or policies at

the time of an "accident" provides at least the amounts required by the financial responsibility law of Indiana but their limits are either:

- a. Less than the Limit of Insurance available for payment to the "insured" under this endorsement; or
- b. Reduced by payments to others injured in the "accident" to an amount which is less than the Limit of Insurance under this endorsement.

However, "underinsured motor vehicle" does not include any "motor vehicle":

- a. Owned or operated by a self insurer under any applicable motor vehicle

law, except a self insurer who is or becomes insolvent and can not provide the amounts required by that motor vehicle law.

- b. Owned by a governmental unit or agency.
- c. Designed for use mainly off public roads while not on public roads.
- d. Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".
- e. For which liability coverage is afforded under this Coverage Form.

## INDIANA - UNINSURED AND UNDERINSURED MOTORIST PROTECTION SELECTION/REJECTION FORM

Indiana law permits you to make certain decisions regarding Uninsured Motorist Coverage and Underinsured Motorist Coverage. This document briefly describes these coverages and the options available. You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorist Coverage or Underinsured Motorist Coverage and your options with respect to these coverages. This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

In accordance with the Indiana law, automobile liability policies may make available Uninsured and Underinsured Motorist Coverage limits equal to the Bodily Injury Liability limits of the policy to which the coverage attaches and to Property Damage Liability equal to the financial responsibility limits for the state of Indiana. Uninsured Motorist Property Damage coverage is available only if you purchase Uninsured Motorist Bodily Injury coverage. You may, however, reject Bodily Injury Liability. A named insured has the right to reject Uninsured Motorist and Underinsured Motorist Coverage on behalf of all other named insureds, all other insureds, and all other persons entitled to coverage under the policy. A rejection of coverage applies to all subsequent policy renewals or replacements. If a named insured rejects Uninsured Motorist Coverage or Underinsured Motorist Coverage in the underlying policy, the rejection also applies to an umbrella or excess liability policy.

If you elect to purchase Uninsured Motorist Bodily Injury coverage, you also may choose to purchase Uninsured Motorist Property Damage coverage. You may also reject Uninsured Motorists Property Damage entirely. This is our offer to you of your Uninsured Motorist and Underinsured Motorist Coverage options.

Please indicate your choice by selecting one option in both Bodily Injury and Property Damage below.

### BODILY INJURY OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Coverage and Underinsured Motorist Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits with Underinsured Motorists Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits without Underinsured Motorist Coverage.

### PROPERTY DAMAGE OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Property Damage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability not subject to a deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit not subject to a deductible.\*\*

\*\* This option is available only when Uninsured Motorist Bodily Injury Coverage is accepted.

I, the insured, understand that I and those who are to be protected under my policy would best be protected by my choosing to purchase Uninsured and Underinsured Motorist Coverage at limits equal to the Bodily Injury Liability limits provided in my policy. Nevertheless, I choose instead to purchase a more limited form of coverage, as specified above.

Attached to and forming a part of Policy Number CPA 107 57 01 and any subsequent policy renewals or replacements thereof.

Effective Date: 05-01-2018



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Named Insured

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Signature of Authorized Representative

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Title

---

Printed Name of Authorized Representative

---

Title

---

Agent's Signature

ONI RISK PARTNERS INC 13-317  
TERRE HAUTE IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## INDIANA UNINSURED MOTORIST COVERAGE

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as a Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named Insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below.

Endorsement Effective: <b>05-01-2018</b>	Policy Number: <b>CPA 107 57 01</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	

### Schedule

Bodily Injury	\$	Each Accident
Bodily Injury and Property Damage	\$	Each Accident

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section **C** - EXCLUSIONS applies in its entirety unless an "X" is entered below:

☐ If an "X" is entered in this box, Exclusion **8**, does not apply.

#### **A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "uninsured motor vehicle". The damages must result from:
  - a. "Bodily injury" sustained by the "insured" and caused by an "accident" with an "uninsured motor vehicle"; or
  - b. "Property damage" caused by an "accident" with an "uninsured motor vehicle" if the Schedule or the Declarations indicates that both "bodily injury" and "property damage" Uninsured Motorist Coverage apply.

The owner's or operator's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".

#### **B. Who is an Insured**

The following are "insureds":

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds":
  - a. Natural persons specifically listed as a Named Insured on this endorsement.
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement.
  - c. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- d. Any natural person, but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraphs **B.1.a.**, **b.** or **c.**
  - e. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
2. If an entity other than a natural person is listed as a Named Insured on this endorsement, the following persons are "insureds":
    - a. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
    - b. Any natural person is an "insured", but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph **B.2.a.**
    - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
  3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown in the endorsement.
  4. Anyone for injuries incurred while "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  5. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
  6. The Named Insured for "property damage" only.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits, or similar laws.
  3. The direct or indirect benefit of any insurer of property.
  4. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly acquired or replacement "motor vehicle" covered under the terms of the Coverage Form.
  5. "Property damage" to an "auto" or to property contained in an "auto" owned by you which is not a covered "auto".
  6. "Bodily injury" suffered by any "insured" while operating or "occupying" a "motor vehicle" without a reasonable belief they are entitled to do so. Under no circumstances will an "insured" whose license has been suspended, revoked or never issued be held to have a reasonable belief they are entitled to operate a "motor vehicle".
  7. "Property damage" for which the "insured" has been or is entitled to be compensated by other property or physical damage insurance.
  8. The first \$300 of the amount of "property damage" to the property of each "insured" as the result of any one "accident". This exclusion does not apply if your covered "auto" is legally parked and unoccupied when involved in an "accident" with an "uninsured motor vehicle".
  9. "Property damage" caused by a hit-and-run vehicle.
  10. Punitive or exemplary damages.
  11. "Noneconomic loss" sustained by any "insured" if such "insured" is an uninsured motorist with a previous violation as defined in Indiana code Section 27-7-5.1.
- However, Exclusion **C.11.** does not apply to an "insured" under 18 years of age.

#### C. Exclusions

This insurance does not apply to:

1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.

#### D. Limit of Insurance

1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services, or death due to and arising out of any one "accident" is the limit of **Uninsured Mo-**

**torist Coverage** shown in the Schedule or the Declarations.

2. The limit of insurance provided in this endorsement shall be reduced by all sums available for payment to the "insured" for "bodily injury" under all liability bonds or policies covering person or organizations legally liable for the "accident".
3. Any amount payable for damages under this coverage shall be reduced by all sums paid or payable under any workers' compensation, personal injury protection benefits, disability benefits, pension statutes, or similar laws.
4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement or any Liability Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits, or similar laws, including medical payments made under any statute.

5. We will not pay for a "loss" which is paid or payable under Physical Damage Coverage.
6. No "insured" shall recover duplicate payments for the same elements of "loss" or payments in excess of damages sustained.

#### E. Changes in Conditions

The **Conditions** for **Indiana Uninsured Motorist Coverage** are changed as follows:

1. **Other Insurance Condition** in the Business Auto and Garage Coverage Forms changed as follows:

If there is other applicable insurance available under one or more policies or provisions of coverage, the following priorities of coverage apply:

<b>FIRST PRIORITY</b>	The Uninsured Motorist Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
<b>SECOND PRIORITY</b>	Any other Coverage Form or policy affording Uninsured Motorist Coverage to the "insured".

- a. The Limit of Insurance for the "motor vehicle" the "insured" was "occupying" under the Coverage Form or policy in the first priority shall first be exhausted.

- b. The maximum recovery for damages under all Coverage Forms or policies may equal but shall not exceed the highest applicable limit for any one "motor vehicle" under any insurance providing coverage on either a first or second priority basis.
- c. We will pay only our share of the "loss". Our share is the proportion that our limit of insurance bears to the total of all limits applicable to the same level of priority.

#### 2. **Transfer of Rights of Recovery Against Others to Us** is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. If we make a payment because the insurer of the "uninsured motor vehicle" is or becomes insolvent, the **Transfer of Rights of Recovery Against Others to Us** Condition does not apply to any rights of recovery against:
  - (1) The Indiana Guaranty Fund; or
  - (2) The "insured" of the insolvent insurer, except in amounts that exceed the limit of liability of the Coverage Form or policy that was issued by that insolvent insurer.

#### 3. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- a. You or any other involved "insured" must promptly notify the police if a hit-and-run driver is involved;
- b. You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought; and
- c. You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of any claim or "suit". Cooperation includes, but is not limited to, identifying all parties who may be responsible for the accident and all insurers who may be obligated to provide coverage.

#### 4. **Legal Action Against Us**

No lawsuit or action whatsoever or any proceeding in arbitration shall be brought against us for the recovery of any claim under the provisions of the Uninsured Motorist Coverage of this Coverage Form unless the "insured" has satisfied all of the things that

"insured" is required to do under this endorsement. Any claim or suit for Uninsured Motorist Coverage must be brought within two (2) years from the date of the "accident".

5. The following Condition is added:

#### **ARBITRATION**

a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or operator of an "uninsured motor vehicle" or do not agree as to the amount of damages that is recoverable by that "insured" then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

- (1) Whether the "insured" is legally entitled to recover damages; and
- (2) The amount of damages. This applies only if the amount does not exceed the minimum limit for liability specified by the financial responsibility law of Indiana. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

#### **F. Additional Definitions**

As used on this endorsement:

1. "Family member" means a natural person who is related to and is a resident of the same household as a natural person shown as a Named Insured in this endorsement. Such relation may be by blood, marriage or adoption, and may include a ward or foster child.

2. "Motor vehicle" means a self-propelled vehicle designed for use and principally used on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. "Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails, or any similar vehicle.

3. "Noneconomic loss" means costs for physical and emotional pain and suffering, physical impairment, emotional distress, mental anguish, loss of enjoyment, loss of companionship, services and consortium, and any other noneconomic damages.

4. "Occupying" means in, upon, getting in, on, out or off.

5. "Property damage" means damage to a covered "auto" property owned by the Named Insured, if the Named Insured is an individual, a "family member" while contained in a covered "auto". However, "property damage" does not include loss of use of damaged or destroyed property. This definition replaces the definition in the Policy.

6. "Uninsured motor vehicle" means a land "motor vehicle" or "trailer":

- a. For which no liability bond or policy applies at the time of an "accident" provides at least the amounts required by the financial responsibility law of Indiana;
- b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- c. Which is a hit-and-run "motor vehicle" and neither the operator nor owner can be identified. A hit and run vehicle is one that causes "bodily injury" to an "insured" by hitting the "insured", a covered "auto" or a "motor vehicle" an "insured" is "occupying".

We will only accept convincing evidence which may include the testimony, under oath, of a person making claim under this or similar coverage.

However, "uninsured motor vehicle" does not include any "motor vehicle":

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b. Owned by a governmental unit or agency.
- c. Designed for use mainly off public roads while not on public roads.
- d. Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".
- e. For which liability coverage is afforded under this Coverage Form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)  
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions** of the **BUSINESS AUTO COVERAGE FORM** and **SECTION V - GARAGE CONDITIONS, B. General Conditions** of the **GARAGE COVERAGE FORM** are amended to include the following:

**Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYEE HIRED AUTOS**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes in Liability Coverage**

The following is added to the **Who is an Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

### **B. Changes in General Conditions**

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto, Business Auto Physical Damage and Garage Coverage Forms, Paragraph **5.d.** of the **Other Insurance - Primary and Excess Insurance Provisions** Condition in the Truckers Coverage Form and Paragraph **5.f.** of the **Other Insur-**

**ance - Primary and Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".



**SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO--ITEMS FOUR, FIVE, AND SIX**Attached to and forming a part of:  
Form AA 501 (Business Auto Coverage Part)**CPA 107 57 01****NUMBER****ITEM FOUR SCHEDULE OF HIRED OR  
BORROWED COVERED AUTO COVERAGE AND PREMIUMS.****LIABILITY COVERAGE--RATING BASIS, COST OF HIRE**

STATE	ESTIMATED COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	PREMIUM
			<b>TOTAL PREMIUM</b>

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

**PHYSICAL DAMAGE COVERAGE**

COVERAGES	LIMIT OF INSURANCE THE MOST WE WILL PAY DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE	RATE PER EACH \$100 ANNUAL COST OF HIRE	MINIMUM PREMIUM	PREMIUM
COMPREHENSIVE	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ <b>85,000</b> WHICHEVER IS LESS MINUS \$ <b>500</b> DED. FOR EACH COVERED AUTO, FOR ALL LOSS EXCEPT FIRE OR LIGHTNING				<b>INCL</b>
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ WHICHEVER IS LESS MINUS \$25 DED. FOR EACH COVERED AUTO, FOR LOSS CAUSED BY MISCHIEF OR VANDALISM				
COLLISION	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ <b>85,000</b> WHICHEVER IS LESS MINUS \$ <b>1,000</b> DED. FOR EACH COVERED AUTO				<b>INCL</b>
			<b>TOTAL PREMIUM</b>		<b>INCL</b>

**ITEM FIVE SCHEDULE FOR NONOWNERSHIP LIABILITY**

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees		
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
			<b>TOTAL PREMIUM</b>

**ITEM SIX SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS--LIABILITY COVERAGE--PUBLIC AUTO OR LEASING RENTAL CONCERNS**

Estimated Yearly	RATES		PREMIUMS	
	<input type="checkbox"/> Per \$100 of Gross Receipts <input type="checkbox"/> Per Mile			
<input type="checkbox"/> Gross Receipts				
<input type="checkbox"/> Mileage	LIABILITY	AUTO MEDICAL COVERAGE	LIABILITY PAYMENTS	AUTO MEDICAL COVERAGE PAYMENTS
	TOTAL PREMIUMS			
	MINIMUM PREMIUMS			

When used as a premium basis:

**FOR PUBLIC AUTOS**

Gross Receipts means the total amount to which you are entitled for transporting passengers, mail or merchandise during the policy period regardless of whether you or any other carrier originate the transportation. Gross Receipts does not include:

- A. Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
  - B. Advertising Revenue.
  - C. Taxes which you collect as a separate item and remit directly to a governmental division.
  - D. C.O.D. collections for cost of mail or merchandise including collection fees.
- Mileage means the total live and dead mileage of all revenue producing units operated during the policy period.

**FOR RENTAL OR LEASING CONCERNS**

Gross receipts means the total amount to which you are entitled for the leasing or rental of "autos" during the policy period and includes taxes except those taxes which you collect as a separate item and remit directly to a governmental division.

Mileage means the total of all live and dead mileage developed by all the autos you leased or rented to others during the policy period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED BY CONTRACT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: <b>05-01-2018</b>	Policy Number: <b>CPA 107 57 01</b>
Named Insured: <b>THOMPSON THRIFT DEVELOPMENT INC</b>	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**SECTION II - LIABILITY COVERAGE, A. Coverage, I. Who is an Insured** is amended to include as an insured any person or organization with which you have agreed in a valid written contract to provide insurance as is afforded by this policy.

This provision is limited to the scope of the valid written contract.

This provision does not apply unless the valid written contract has been executed prior to the "bodily injury" or "property damage".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET WAIVER OF SUBROGATION - AUTO**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: <b>05-01-2018</b>	Policy Number: <b>CPA 107 57 01</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### **1. Blanket Waiver of Subrogation**

**SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights of Recovery Against Others to Us** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because

of payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the "insured contract".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PRIMARY AND NONCONTRIBUTORY INSURANCE**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: <b>05-01-2018</b>	Policy Number: <b>CPA 107 57 01</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### **1. Noncontributory Insurance**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance** is replaced by the following:

- c.** Regardless of the provisions of Paragraph **a.** above, this Coverage Form's Liability Coverage is primary and we will not seek contribution from any other insurance for any liability assumed under an "insured contract" that requires liability to be assumed on a primary noncontributory basis.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO MEDICAL PAYMENTS COVERAGE**

Throughout this Coverage Form "you" and "your" refer to the organization and any specifically named natural persons shown as the Named Insured in the Business Auto or Garage Coverage Part Declarations. "You" and "Your" do not refer to any other persons or organizations, including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as the Named Insured in the Business Auto or Garage Coverage Part Declarations.

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Coverage**

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred and reported to us, for services rendered within three years from the date of the "accident".

**B. Who is an Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. "Family members" of natural persons shown as Named Insureds in the Business Auto or Garage Coverage Part Declarations while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone for injuries while "occupying" a covered "auto".
4. Anyone for injuries while "occupying" a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

**C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned

by or furnished or available for the regular use of any "family member".

4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

**D. Limit of Insurance**

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

**E. Changes in Conditions**

The Conditions are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer of Rights of Recovery Against Others to Us** Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA AMENDATORY  
EXCLUSION - LIABILITY ARISING FROM STATUTE  
OR REGULATION**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE PART  
GARAGE COVERAGE PART**

**SCHEDULE**

**Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management; I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

The following is added to **SECTION II - LIABILITY COVERAGE, B. Exclusions:**

This insurance does not apply to liability arising out of one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.



UMBRELLA

Attached to and forming part of POLICY NUMBER <b>CPP 107 57 01</b>		Effective Date: <b>05-01-2018</b>
<b>NAMED INSURED</b> is the same as it appears in the Common Policy Declarations unless another entry is made here. <b>REFER TO IA450A</b>		
<b>LIMITS OF INSURANCE</b>		
\$ <b>10</b> ,000,000 Each Occurrence Limit		\$ <b>10</b> ,000,000 Aggregate Limit
<b>ADVANCE PREMIUM \$ 17,448</b>		
Applicable to Premium, if box is checked:		
<input checked="" type="checkbox"/> Subject to Annual Adjustment <input type="checkbox"/> Subject to Audit (see Premium Computation Endorsement for Rating Basis)		
<b>SCHEDULE OF UNDERLYING INSURANCE</b>		
<b>Insurer, Policy Number &amp; Period:</b>	<b>Underlying Insurance:</b>	<b>Underlying Limits:</b>
(a)	Employer's Liability	Bodily Injury by Accident: \$ _____ Each Accident Bodily Injury by Disease: \$ _____ Each Employee Bodily Injury by Disease: \$ _____ Policy Limit
<b>(b) CINCINNATI INS CO</b> <b>CPP 107 57 01</b> <b>05-01-2018 TO 2019</b>	<input checked="" type="checkbox"/> Commercial General Liability Including: <input checked="" type="checkbox"/> Products-Completed Operations Coverage <input type="checkbox"/> Cemetery Professional <input type="checkbox"/> Druggist Professional <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Pedorthists Professional or <input type="checkbox"/> Business Liability Including: <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Druggist Professional	Bodily Injury and Property Damage Liability: \$ <b>1,000,000</b> Each Occurrence Limit \$ <b>2,000,000</b> General Aggregate Limit \$ <b>2,000,000</b> Products-Completed Operations Aggregate Limit  Personal and Advertising Injury Limit: \$ <b>1,000,000</b> Any One Person or Organization
<b>(c) SAME AS (b)</b>	Automobile Liability Including: <input checked="" type="checkbox"/> Owned Autos <input checked="" type="checkbox"/> Non-Owned Autos <input checked="" type="checkbox"/> Hired Autos <input type="checkbox"/> Any Auto	Bodily Injury Liability Limit: \$ _____ Each Person \$ _____ Each Occurrence Property Damage Liability Limit: \$ _____ Each Occurrence or Bodily Injury Liability and / or Property Damage Liability or Both Combined Limit: \$ <b>1,000,000</b> Each Occurrence
<b>FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:</b>		
<b>REFER TO IA450F</b>		

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**FORMS LIST**

<b>IA450F</b>	<b>11/87</b>	<b>US511</b>	<b>09/02</b>	<b>IA450A</b>	<b>11/87</b>	<b>US101UM</b>	<b>12/04</b>
<b>US3093</b>	<b>05/14</b>	<b>US4062</b>	<b>11/05</b>	<b>US4098</b>	<b>04/10</b>	<b>US3048</b>	<b>12/04</b>
<b>US306</b>	<b>12/04</b>	<b>US3065</b>	<b>05/06</b>	<b>US341</b>	<b>12/04</b>	<b>US352</b>	<b>12/04</b>
<b>US390</b>	<b>12/04</b>	<b>US3090IN</b>	<b>05/14</b>	<b>US395</b>	<b>12/04</b>	<b>US407</b>	<b>12/04</b>

**ADDITIONAL SCHEDULE OF UNDERLYING INSURANCE**Attached to and forming part of Policy No. **CPP 107 57 01**Effective Date: **05-01-2018**

Insurer, Policy Number & Period:	Underlying Insurance:	Underlying Limits:
(d) CINCINNATI INS CO CPP 107 57 01 05-01-2018 TO 2019	EMPLOYEE BENEFIT LIABILITY	1,000,000 EACH EMPLOYEE 3,000,000 AGGREGATE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS**

**NAMED INSURED SCHEDULE**

THOMPSON THRIFT DEVELOPMENT INC  
THOMPSON THRIFT PROPERTIES LLC  
3600 S 41 LLC  
TT COMMERCIAL TWO LLC  
GEIST LANDING OF FISHERS LLC  
TT COMMERCIAL THREE LLC  
4790 S 41 LLC  
COOL CREEK VILLAGE LLC  
WARSAW 15-300N I LLC  
WARSAW 15-300N III LLC  
100 DETTRO DRIVE MATTOON LLC  
4800 S 41 LLC  
TT FORT WAYNE LLC  
4423 S 41 LLC  
TT COMMERCIAL FOUR LLC  
JP COMMERCIAL LLC  
10720 E HWY 36 LLC  
DREXEL OAK CREEK WI LLC  
901 WABASH LLC  
TT COMMERCIAL ONE LLC  
111 LAKEVIEW LLC  
900 OHIO LLC  
921 OHIO LLC  
TT CROWN POINT LLC  
4780 E MARGARET AVE LLC  
SPRINGDALE POINTE LLC  
WESTERN PLAZA LLC  
CASSOPOLIS STREET ELKHART LLC  
SIMON ROAD FRANKLIN LLC  
925 WABASH LLC  
ALEXANDRIA PIKE HIGHLAND HEIGHTS LLC  
THOMPSON THRIFT HOLDING CO LLC  
FISHERS MARKET SQUARE DRIVE LLC  
106TH STREET PARTNERS LLC  
TTS LAND CO LLC  
TT S 41 LLC  
BAUER FARM LAWRENCE KS LLC  
ICEBREAKER DEVELOPMENT LLC  
QUEEN CREEK AZ LLC  
FISHERS MARKET PLACE LOT 4E LLC  
2007 S HWY 27 SOMERSET KY LLC  
HWY 41A HOPKINSVILLE KY LLC  
200 CROSSROADS PLOVER WI LLC  
BELL ROAD SURPRISE AZ LLC  
CHANDLER BLVD CHANDLER AZ LLC  
SPRINGDALE POINTE MTB LLC  
HUNTSVILLE MADISON AL LLC  
300 SHERIDAN LLC  
SPRINGDALE ESTATES FISHERS IN LLC  
ALMA SCHOOL RD CHANDLER AZ LLC  
3131 CAMELBACK RD LLC  
BAUER FARM LAWRENCE KS LLC  
WATERMARK AT TIFFANY SPRINGS MO LLC  
WATERMARK AT GILBERT AZ LLC  
BELL ROAD SURPRISE AZ LLC  
SHELBYVILLE RD LOUISVILLE KY LLC  
LOT 1A ELKHART LLC  
GEIST LANDING II LLC  
WATERMARK AT HUNTSIVLLE AL LLC  
WATERMARK AT BRIARGATE CO LLC

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## COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERAGE

#### A. Insuring Agreement

1. We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies:
  - a. Which is in excess of the "underlying insurance"; or
  - b. Which is either excluded or not insured by "underlying insurance".
2. This insurance applies to "bodily injury", "personal and advertising injury" or "property damage" only if:
  - a. The "bodily injury", "personal and advertising injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
  - b. The "bodily injury" or "property damage" occurs during the policy period shown in the Declarations; or
  - c. The "personal and advertising injury" results from an "occurrence" that takes place during the policy period shown in the Declarations; and
  - d. Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, or a "personal and advertising injury" offense is committed, you did not know, per Paragraph 5. below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, or

that the "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part.

3. "Bodily injury" or "property damage" which:
  - a. Occurs during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have occurred;

includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
4. "Personal and advertising injury" caused by an offense which:
  - a. Was committed during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have been committed;

includes any continuation, change or resumption of that "personal and advertising injury" offense after the end of the "coverage term" in which it first became known by you.
5. You will be deemed to know that "bodily injury" or "property damage" has occurred, or that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":
  - a. Reports all, or any part, of the "bodily injury", "personal and advertising injury" or "property damage" to us or any other insurer;
  - b. Receives a written or verbal demand or claim for damages because of the "bodily injury", "personal and advertising injury" or "property damage";
  - c. First observes, or reasonably should have first observed, the "bodily injury" or "property damage", or the offense that caused the "personal and advertising injury";
  - d. Becomes aware, or reasonably should have become aware, by any means, other than as described in c. above, that "bodily injury" or "prop-



erty damage" had occurred or had begun to occur, or that the "personal and advertising injury" offense had been committed or had begun to be committed; or

- e. Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury", "personal and advertising injury" or "property damage" is substantially certain to occur.
6. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE.**

No other obligation or liability to pay sums or perform acts or services is covered, unless expressly provided for under **SECTION I - COVERAGE, C. Defense and Supplementary Payments.**

## **B. Exclusions**

This insurance does not apply to:

### **1. Asbestos**

Any liability arising out of, attributable to or any way related to asbestos in any form or transmitted in any manner.

### **2. Breach of Contract, Failure to Perform, Wrong Description and Violation of Another's Rights**

"Personal and advertising injury":

- a. Arising out of breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- b. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- c. Arising out of the wrong description of the price of goods, products or services stated in your "advertisement"; or
- d. Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### **3. Contractual Liability**

Any liability for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "bodily injury", "personal

and advertising injury" or "property damage":

- a. That the insured would have in the absence of the contract or agreement; or
- b. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "personal and advertising injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

### **4. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

### **5. Damage to Property**

"Property damage" to property owned by any insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

### **6. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.

### **7. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**8. Distribution of Material in Violation of Statutes**

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**9. Electronic Chatrooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**10. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

**11. Employer's Liability Limitation**

Any liability arising from any injury to:

- a. An "employee" of the insured sustained in the "workplace";
- b. An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of **a.** or **b.** above.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply when such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or

would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**12. Employment-Related Practices**

Any liability arising from any injury to:

- a. A person arising out of any:
  - (1) Refusal to employ that person;
  - (2) Termination of that person's employment; or
  - (3) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of any injury to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**13. Expected or Intended Injury**

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually intended or expected.

However, this exclusion does not apply to:

- a. "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- b. "Bodily injury" or "property damage" resulting from the use of reasonable force to prevent or eliminate danger

in the operation of "autos" or watercraft.

#### 14. Falsity, Prior Publication, Criminal Act and Media and Internet Type Businesses

"Personal and advertising injury":

- a. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the later of the following:
  - (1) The inception of this Coverage Part; or
  - (2) The "coverage term" in which insurance coverage is sought;
- c. Arising out of a criminal act committed by or at the direction of the insured; or
- d. Committed by an insured whose business is:
  - (1) Advertising, broadcasting, publishing or telecasting;
  - (2) Designing or determining content of web-sites for others; or
  - (3) An Internet search, access, content or service provider.

However, Paragraph d. does not apply to Paragraphs 17.a., b., c., d. and i. of "personal and advertising injury" under **SECTION V - DEFINITIONS**.

For the purposes of Paragraph d., the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

#### 15. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement in your "advertisement", of copyright, trade dress or slogan.

#### 16. Pollutant - Auto

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
  - (1) That are, or that are contained in any property that is:
    - (a) Being transported or towed by, handled, or handled for movement into, onto or from, an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
    - (b) Otherwise in the course of transit by or on behalf of the insured; or
    - (c) Being stored, disposed of, treated or processed in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
  - (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; or
  - (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion to the place where they are finally delivered, disposed of or abandoned by the insured.

Paragraph (1) above does not apply to "bodily injury" or "property damage" arising from fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their

behalf in any other fashion or its parts, if:

- (a) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (b) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in Paragraphs f.(2) and (3) of the definition of "mobile equipment".

However, this exception to Paragraph (1) does not apply if the fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed, emitted or released.

Paragraphs (2) and (3) above do not apply to an "occurrence" that occurs away from premises owned by or rented to an insured with respect to "pollutants" not in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; and
  - (b) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- b. Any liability caused by "pollutants" and arising from the operation, maintenance, use, "loading or unloading" of an "auto", for which insurance coverage is excluded by "underlying insurance".

#### **17. Pollutant - Other Than Auto**

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":

- (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.

However, Paragraph a.(1) of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury", if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use by the building's occupants or their guests;
- (b) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to your "underlying insurance" as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;
- (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

However, Paragraph **a.(4)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by

such insured, contractor or subcontractor;

- (b) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

- (5) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of, "pollutants".

- b. "Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.

- c. Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Paragraph **c.** does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement,

or such claim or "suit" by or on behalf of a governmental authority.

- d. Any liability caused by "pollutants", for which insurance coverage is excluded by "underlying insurance".

#### **18. Recall of Products, Work or Impaired Property**

Any liability or damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. "Your product";
- b. "Your work"; or
- c. "Impaired Property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

#### **19. Unauthorized Use of Another's Name or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag or any other similar tactics to mislead another's potential customers.

#### **20. Uninsured / Underinsured Motorist**

Any liability or obligation to any insured or anyone else under any uninsured motorist, underinsured motorist, automobile no-fault or first party personal injury law.

#### **21. War**

Any liability, however caused, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

#### **22. Workers' Compensation**

Any liability or obligation of the insured under any workers' compensation, unemployment compensation, disability benefits or similar law. However, this exclusion does not apply to liability of others assumed by you under an "insured contract" in existence at the time of "occurrence".

#### **C. Defense and Supplementary Payments**

1. We will have the right and duty to defend the insured against any "suit" seeking damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies. We will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result when:
  - a. The applicable limits of the "underlying insurance" and any other insurance have been exhausted by payment of claims; or
  - b. Damages are sought for "bodily injury", "personal and advertising injury" or "property damage" which are not covered by "underlying insurance" or other insurance.
2. Our right and duty to defend ends when the applicable Limits of Insurance, as stated in the Declarations, has been exhausted by payment of claims.
3. We have no duty to investigate, settle or defend any claim or "suit" other than those circumstances described in Paragraph C.1. However, we do have the right to participate in the investigation, settlement or defense of any claim or "suit" to which this insurance applies. If we exercise this right, we will do so at our expense.
4. If there is no underlying insurer or other insurance obligated to do so, we will pay the following when we provide a defense:
  - a. All expenses we incur.
  - b. The cost of bail bonds up to \$3,000. We do not have to furnish these bonds.
  - c. The cost of bonds to appeal a judgment or award in any claim or "suit" we defend and the cost of bonds to

release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.

- d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including the actual loss of earnings.
  - e. All costs taxed against the insured in the "suit".
5. If there is no underlying insurer obligated to do so, we will pay the following for an "occurrence" to which this insurance applies, even if we have no duty to provide a defense:
- a. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable Limit of Insurance. If we make an offer to pay the applicable Limits of Insurance, we will not pay any prejudgment interest based on the period of time after the offer.
  - b. All interest awarded against the insured on the full amount of any judgment that accrues:
    - (1) After entry of the judgment; and
    - (2) Before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
6. The payments described in Paragraphs 4. and 5. above will not reduce the Limits of Insurance provided by this Coverage Part when defense or supplementary payments provided by the "underlying insurance" do not reduce their Limits of Insurance. However, when defense or supplementary payments provided by the "underlying insurance" reduce their Limits of Insurance then such expense payments paid by us will reduce the Limits of Insurance provided by this Coverage Part.
7. If we are prevented by law or otherwise from carrying out any of the provisions of **SECTION I - COVERAGE, C. Defense and Supplementary Payments**, we will pay any expense incurred with our written consent.

## SECTION II - WHO IS AN INSURED

- 1. Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto":
  - a. If you are designated in the Declarations as:
    - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
    - (2) A partnership or joint venture, you are an insured. Your members, partners and their spouses are also insureds, but only with respect to the conduct of your business.
    - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
    - (4) An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Each of the following is also a Named Insured:
      - (a) Any "subsidiary" company of such organization, including any "subsidiary" of such "subsidiary":
        - 1) Existing at the inception of this Coverage Part; or
        - 2) Formed or acquired on or after the inception of this Coverage Part.
      - (b) Any other company controlled and actively managed by such organization or any "subsidiary" thereof:
        - 1) At the inception of this Coverage Part; or
        - 2) If the control and active management thereof is acquired on or after the inception of this Coverage Part.
- (5) A trust, you are an insured. Your trustees are also insureds, but only

with respect to their duties as trustees.

- b.** Each of the following is also an insured:
  - (1)** Any "employee" of yours while acting within the scope of their duties as such.
  - (2)** Any person or organization while acting as your real estate manager.
  - (3)** Any person or organization having proper temporary custody of your property if you die, but only:
    - (a)** With respect to liability arising out of the maintenance or use of that property; and
    - (b)** Until your legal representative has been appointed.
  - (4)** Your legal representative if you die, but only with respect to duties as such.
- 2.** Only with respect to liability arising out of the ownership, maintenance, occupancy or use of an "auto":
  - a.** You are an insured.
  - b.** Anyone else while using with your permission an "auto" you own, hire or borrow is also an insured except:
    - (1)** The owner or any other person or organization (except your "executive officers" or principals) from whom you hire or borrow an "auto", unless such persons or organizations are insureds in your "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance". This exception does not apply if the "auto" is a trailer or semi-trailer connected to an "auto" you own.
    - (2)** Your "employee", if the "auto" is owned by that "employee" or a member of his or her household, unless:
      - (a)** Such "employee" is an insured with respect to that "auto" in the "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance"; or

**(b)** The "bodily injury" or "property damage" is sustained by a co-"employee" of such "employee".

- (3)** Someone using an "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos", unless that business is yours.
- (4)** Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
- c.** Anyone liable for the conduct of an insured described in Paragraphs **2.a.** and **b.** above is also an insured, but only if they are provided insurance coverage for such liability by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is provided by such "underlying insurance".
- 3.** At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs **1.** and **2.** above covered in the "underlying insurance" listed in the Schedule of Underlying Insurance are also insureds, but only to the extent that insurance is provided for such additional insureds thereunder.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

- 1.** The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a.** Insureds;
  - b.** Claims made or "suits" brought; or
  - c.** Persons or organizations making claims or bringing "suits".
- 2.** The Aggregate Limit is the most we will pay for all damages:
  - a.** Included in the "products-completed operations hazard";
  - b.** Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you; or



- c.** Because of "bodily injury", "personal and advertising injury" or "property damage" not included within **a.** or **b.** above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to **a.**, **b.** and **c.** The Aggregate Limit described in **c.** will apply only to damages not subject to **a.** or **b.** above.

- 3.** Subject to the Limit of Insurance described in **2.c.** above:

- a.** Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to **2.a.** or **b.** above that is applicable separately to each:

- (1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to operations at only a single location, then the Aggregate Limit described in **2.c.** above applies separately to each location owned by, or rented or leased to you.

- (2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed only to ongoing operations and only at a single construction project, then the Aggregate Limit described in **2.c.** above applies separately to each of your construction projects.

- b.** Only with respect to the application of Limits of Insurance described in **3.a.** above, the following terms location and construction project will have the following meanings:

- (1) Location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- (2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected

ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

- 4.** Subject to the limits described in **2.** and **3.** above, the Each Occurrence Limit is the most we will pay for the "ultimate net loss":

- a.** In excess of the applicable limits of "underlying insurance"; or
- b.** If an "occurrence" is not covered by "underlying insurance", but covered by the terms and conditions of this Coverage Part,

Because of all "bodily injury", "personal and advertising injury" and "property damage" arising out of any one "occurrence".

We will not pay more than the Limit of Insurance shown in this Coverage Part's Declarations for each "occurrence" because any Personal Umbrella Liability Policy(ies) is / are attached to this policy.

- 5.** Subject to the limits described in **2.**, **3.** and **4.** above and to the terms and conditions of the "underlying insurance":

- a.** If the limits of "underlying insurance" have been reduced by payment of claims, this Coverage Part will continue in force as excess of the reduced "underlying insurance"; or
- b.** If the limits of "underlying insurance" have been exhausted by payment of claims, this Coverage Part will continue in force as "underlying insurance".

- 6.** The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

#### SECTION IV - CONDITIONS

##### 1. Appeals

If the insured or any insurer who provides the applicable "underlying insurance" elects not to appeal a judgment which exceeds the "underlying limit", we may elect to do so at our own expense. We shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall this provision increase our liability beyond:

- a.** Our applicable Limits of Insurance for all "ultimate net loss";
- b.** Our applicable Defense and Supplementary Payments as described in **SEC-**

**TION I - COVERAGE, C. Defense and Supplementary Payments; and**

- c. The expense of such appeal.

**2. Audit**

If this Coverage Part is subject to Audit, as indicated in the Declarations, then the following Condition applies:

- a. The premium shown in the Premium Computation Endorsement as Advance Premium is a deposit premium. At the close of each audit period, we will compute the earned premium for that period. If:

- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us. The due date for audit and retrospective premiums is the date shown as the due date on the bill.

However, in no event will the earned premium be less than the Minimum Premium stated in the Premium Computation Endorsement.

- b. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**3. Bankruptcy**

Bankruptcy or insolvency of the insured or the insured's estate shall not relieve us of any obligations under this Coverage Part.

**4. Duties in the Event of Occurrence, Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim or "suit". To the extent possible, notice should include:

- (1) How, when and where the "occurrence" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence".

This requirement applies only when the "occurrence" is known to an "authorized representative".

- b. If a claim is made or "suit" is brought against any insured that is likely to involve this Coverage Part, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

This requirement will not be considered breached unless the breach occurs after such claim or "suit" is known to an "authorized representative".

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**5. First Named Insured**

The person or organization first named in the Declarations will act on behalf of all other insureds where indicated in this Coverage Part.

**6. Legal Action Against Us and Loss Payments**

- a. No legal action may be brought against us unless there has been full compliance with all the terms of this Coverage Part nor until the amount of the insured's obligation to pay has been finally determined as provided below. No person or organization has any right under this Coverage Part to bring us into any action to determine the liability of the insured.

- b. We shall be liable for payment of the "ultimate net loss" for any "occurrence" to which this Coverage Part applies:

- (1) For "occurrences" not covered by "underlying insurance"; or

- (2) In excess of the "underlying limit" applicable to the "occurrence" only after the insurers who provide the applicable "underlying insurance" have paid or become obligated to pay the amount of the "underlying limit" applicable to the "occurrence".

Our payment will be made following final determination of the amount of the insured's obligation to pay either by final judgment against the insured or by written agreement with the insured, the claimant, the underlying insurers and us.

## 7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

Will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

## 8. Maintenance of Underlying Insurance

- a. While this Coverage Part is in effect, the insured shall maintain in force the "underlying insurance" listed in the Schedule of Underlying Insurance as collectible insurance. The terms, conditions and endorsements of "underlying insurance" will not materially change and renewals or replacements of "underlying insurance" will not be more restrictive in coverage.
- b. Limits of "underlying insurance" will not be reduced, except for any reduction or exhaustion in the aggregate limits of insurance due to payment of claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
- c. In the event you fail or neglect to maintain "underlying insurance" as required, this Coverage Part will apply as though such "underlying insurance" was in force and collectible at the time a claim is presented to us which is in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.

- d. The limits of "underlying insurance" shall be deemed applicable, regardless of any defense which the insurer who provides the "underlying insurance" may assert because of the insured's failure to comply with any Condition of the policy or the inability of the insurer to pay by reason of bankruptcy or insolvency.

## 9. Other Insurance

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

## 10. Premium

The premium for this Coverage Part shall be as stated in the Declarations. The advance and anniversary premiums are not subject to adjustment, except as stated in the Declarations, or as stated in an endorsement issued by us to form a part of this Coverage Part.

You shall maintain records of such information as is necessary for premium computation, and shall, if requested by us, send copies of such records to us at the end of the "coverage term" and at such times during the policy period as we may direct.

## 11. Representations

- a. By acceptance of this Coverage Part, you agree that the statements in the Declarations are your agreements and representations, that this Coverage Part is issued in reliance upon the truth of such representations and that this Coverage Part embodies all agreements existing between you and us or any of our agents relating to this insurance.
- b. However, to the extent that the following applies in the "underlying insurance" listed specifically in the Schedule of Underlying Insurance, it will also apply to this Coverage Part:

Based on our reliance upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this Coverage Part, we will not reject coverage under this Coverage Part based solely on such failure.

## 12. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

### **13. Transfer of Rights of Recovery Against Others to Us**

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. Any recoveries shall be applied as follows:
  - (1) First, we will reimburse anyone, including the insured, the amounts actually paid by them that were in excess of our payments;
  - (2) Next, we will be reimbursed to the extent of our actual payment; and
  - (3) Lastly, any amounts left after meeting the obligations outlined in (1) and (2) above will be distributed to anyone else known to us at the time a recovery is made and who is legally entitled to such recovery.

Expenses incurred in the recovery shall be apportioned among all interests in the ratio of their respective recoveries as finally settled. If there is no recovery as a result of our attempts, we shall bear all of the recovery expenses.

- c. If prior to an "occurrence" to which this Coverage Part would apply, you and the issuer of your applicable "underlying insurance" listed specifically in the Schedule of Underlying Insurance waive any right of recovery against a person or organization for injury or damage, we will also waive any rights we may have against such person or organization.

### **14. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## **SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Authorized representative" means:
  - a. If you are:
    - (1) An individual, you and your spouse are "authorized representatives".
    - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
    - (3) A limited liability company, your members and your managers are "authorized representatives".
    - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".
    - (5) A trust, your trustees are "authorized representatives".
  - b. Your "employees" assigned to manage your insurance program, or assigned to give or receive notice of an "occurrence", claim or "suit" are also "authorized representatives".
3. "Auto" means:
  - a. Any land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

"Auto" does not include "mobile equipment".

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means anywhere.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any similar governing document.
10. "Hostile fire" means one that becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement,
 if such property can be restored to use by:
  - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business, other than a contract or agreement pertaining to the rental or lease of any "auto", (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
  - g. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing. However, if such liability is insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, this Paragraph (1) shall not apply for such hazards for which insurance coverage is afforded by such "underlying insurance";
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities;
- (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;
- (5) Under which the insured, if an advertising, public relations or media con-

sulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;

- (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet Services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks;
  - (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above;
  - (8) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - (9) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of an "auto" over a route or territory that person or organization is authorized to serve by public authority.
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
  14. "Loading or unloading" means the handling of property:
    - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
    - b. While it is in or on an aircraft, watercraft or "auto"; or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

16. "Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general harmful conditions, act or offense shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

17. "Personal and advertising injury" means injury, including "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Abuse of process;
- d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - g. The use of another's advertising idea in your "advertisement";
  - h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
  - i. Discrimination, unless insurance coverage therefor is prohibited by law or statute.
- 18. "Pollutants" mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, re-conditioned or reclaimed. "Pollutants" include, but are not limited to, substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:**
- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. The insured uses, generates or produces the "pollutant".
- 19. "Products-completed operations hazard":**
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in your contract has been completed.
      - (b) When all of the work to be done at the site has been completed, if your contract calls for work at more than one site.
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- b. Does not include "bodily injury" or "property damage" arising out of:
    - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
    - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
- 20. "Property damage" means:**
- a. Physical injury to or destruction of tangible property including all resulting loss of use. All such loss of use shall be deemed to occur at the time of the physical injury or destruction that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
- 21. "Subsidiary" means any organization in which more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled, directly or indirectly, in any combination, by one or more of the Named Insureds.**
- 22. "Suit" means a civil proceeding in which money damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies are alleged. "Suit" includes:**
- a. An arbitration proceeding in which such money damages are claimed and to which the insured must submit or does submit with our consent;
  - b. Any other alternative dispute resolution proceeding in which such money damages are claimed and to which the insured submits with our consent; or
  - c. An appeal of a civil proceeding.



23. "Temporary worker" means a person who is furnished to you to:
- a. Substitute for a permanent "employee" on leave; or
  - b. Meet seasonal or short-term workload conditions.
24. "Ultimate net loss" means the sum actually paid or payable in the settlement or satisfaction of the insured's legal obligation for damages, covered by this insurance, either by adjudication or compromise. "Ultimate net loss" does not include Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments** of this Coverage Part.
25. "Underlying insurance" means the insurance listed in the Schedule of Underlying Insurance and the insurance available to the insured under all other insurance policies applicable to the "occurrence". "Underlying insurance" also includes any type of self-insurance or alternative method by which the insured arranges for funding of legal liabilities that affords coverage that this Coverage Part covers.
26. "Underlying limit" means the total of the applicable limits of all "underlying insurance" less the amount, if any, by which the applicable limit of the applicable policy listed in the Schedule of Underlying Insurance has been reduced solely by payment of loss resulting from claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
27. "Workplace" means that place and during such hours to which the "employee" sustaining injury was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".
28. "Your product":
- a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) You;
      - (b) Others trading under your name; or
      - (c) A person or organization whose business or assets you have acquired; and
    - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
    - (2) The providing of or failure to provide warnings or instructions.
  - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
29. "Your work":
- a. Means:
    - (1) Work or operations performed by you or on your behalf; and
    - (2) Materials, parts or equipment furnished in connection with such work or operations.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
    - (2) The providing of or failure to provide warnings or instructions.

# NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

## COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

### A. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

1. Any liability:
  - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Any liability resulting from the "hazardous properties" of "nuclear material", if
  - a. The "nuclear material" (1) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom,
  - b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - c. The injury or damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if

such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion c. applies only to "property damage" to such "nuclear facility" and any property thereat.

### B. SECTION V - DEFINITIONS is hereby modified to add the following definitions:

1. "Hazardous properties" include radioactive, toxic or explosive properties;
2. "Nuclear material" means "source material", "special nuclear material" or "by-product material";
3. "Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
5. "Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
6. "Nuclear facility" means:
  - a. Any "nuclear reactor";
  - b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", (3) or handling, processing or packaging "waste";
  - c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear materials", if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of

plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations con-

ducted on such site and all premises used for such operations;

- 7. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- 8. "Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL  
OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY  
- WITH LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only; Subparagraph 1.) is modified to delete Exclusion **10. Electronic Data** in its entirety and replace it with the following:

This insurance does not apply to:

**10. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Any liability arising out of:

- a.** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b.** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **a.** or **b.** above.

However, this exclusion does not apply:

- (1)** To damages because of "bodily injury", unless Paragraph **a.** above applies; and
- (2)** When such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE  
INSURANCE LAWS - LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law, unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)  
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION - IV CONDITIONS** is amended to include the following:

**Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART - CLAIMS MADE**

**I. SECTION I - COVERAGE, B. Exclusions**  
(and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

**a.** Any liability caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Absorption of;
- (5) Exposure to;
- (6) Existence of; or
- (7) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

**b.** Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;

**c.** Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way

related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (1) The existence of "fungi" or bacteria;
- (2) The prevention of "fungi" or bacteria;
- (3) The remediation of "fungi" or bacteria;
- (4) Any operation described in Paragraph **b.** above;
- (5) "Your product"; or
- (6) "Your work"; or

**d.** Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **a.**, **b.** or **c.** above;

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

**II.** For the purposes of this endorsement, **SECTION V - DEFINITIONS** is amended to include the following:

"Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AUTO LIABILITY LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any "auto", unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is afforded by such "underlying insurance".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - EMPLOYER'S LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified as follows:

**Exclusion 11. Employer's Liability Limitation** (Exclusion 1.k. in the Professional Umbrella Liability Coverage Part and the Professional Liability Coverage Part - Claims-Made) is deleted and replaced by the following:

This insurance does not apply to:

Any liability arising from any injury to:

- a.** An "employee" of the insured sustained in the "workplace";
- b.** An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c.** The spouse, child, parent, brother or sister of that "employee" as a consequence of **a.** or **b.** above.

This exclusion applies:

- a.** Whether the insured may be liable as an employer or in any other capacity; and
- b.** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE PROPERTY MANAGED EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

"Property damage" to property you operate or manage or for which you act as agent for the collection of rents or act in any other supervisory capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

"Property damage" to personal property not owned by an insured and in the care, custody or control of an insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL POLLUTANT EXCLUSION - OTHER THAN AUTO**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified as follows:

Exclusion **17. Pollutant - Other Than Auto** (Exclusion **1.q.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is hereby deleted and replaced by the following:

### **Pollutant - Other Than Auto**

This insurance does not apply to:

- a.** Any liability caused by "pollutants".
- b.** Any loss, cost or expense arising out of any:
  - (1)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (2)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA AMENDATORY  
EXCLUSION - LIABILITY ARISING FROM STATUTE  
OR REGULATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SCHEDULE**

**Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management; I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to liability arising from one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LEAD LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

- a.** Any liability arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead in any form emanating from any source.
- b.** Any loss, cost or expense arising out of, resulting from or in any way related to any:
  - (1)** Claim, "suit", request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead in any form; or
  - (2)** Claim or "suit" by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYEE BENEFIT LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

This policy is modified to add the following:

- I. SECTION I - COVERAGE, A. Insuring Agreement(s)** is modified to add the following:

**EMPLOYEE BENEFIT LIABILITY:**

We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages because of any negligent act, error or omission of the insured or any other person for whose acts the insured is legally liable arising out of the administration of the insured's employee benefit programs.

This insurance applies only to negligent acts, errors or omissions:

- a.** Whose damages are in excess of the "underlying insurance" provided by an Employee Benefit Liability policy listed in the Schedule of Underlying Insurance; and
  - b.** Which occur during the policy period.
- II. SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following exclusion:

This insurance does not apply to:

Any liability arising out of employee benefit programs unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

## **MINE SUBSIDENCE COVERAGE (KENTUCKY)**

In consideration of an additional premium, this policy is extended to insure against direct loss by Mine Subsidence but only with respect to Structures specifically listed in the Schedule or Declarations to which this coverage applies. With respect to Mine Subsidence:

- I. The Property Covered provisions of this policy are replaced by the following:

### **PROPERTY COVERED**

Structure, meaning any building, or fixture permanently affixed to realty, listed in the Schedule or Declarations for Mine Subsidence Coverage, including:

- A. Cost of excavation, grading or fillings;
- B. Foundation of buildings, boilers or engines which are below the undersurface lower basement floor, or where there is no basement, below the surface of the ground;
- C. Underground pilings, piers, flues and drains; and
- D. Pilings which are below the low water mark.

**DEBRIS REMOVAL:** This insurance covers expense incurred in the removal of the debris of the property covered hereunder which may be occasioned by loss by Mine Subsidence. The total amount recoverable under this form for both loss to property and debris removal expense shall not exceed the amount of Mine Subsidence Coverage applying to a described property.

- II. The Property Not Covered provisions of this policy are amended by adding:

- 1. Personal Property.
- 2. Land.

- III. The Deductible provisions of this policy are replaced by the following:

### **DEDUCTIBLE CLAUSE**

The sum of 2% of the Amount of Insurance, but not less than \$250 nor more than \$500, shall be deducted from each loss separately occurring to the Property Covered.

The deductible shall apply separately to each structure.

- IV. The Perils Insured Against Provisions are replaced by the following:

### **PERIL INSURED AGAINST**

This policy insures against direct loss to structures by Mine Subsidence which means collapse of man-made underground coal mines.

However, Mine Subsidence does not include direct loss caused by:

- A. Earthquake or earth movement;
- B. Landslide;
- C. Volcanic eruption; and
- D. Collapse of storm or sewer drains.

- V. If this policy contains an earth movement exclusion, it is replaced by the following:

Earth Movement, including but not limited to earthquake, landslide, mud flow, earth sinking, earth rising or shifting. However, this exclusion does not apply to direct loss caused by Mine Subsidence, as insured against in this policy.

- VI. The Coinsurance Clause and the Extension of Coverage provisions of this policy are deleted.

- VII. The following provisions are added:

### **LIMITATIONS AND LOSS PAYMENTS**

The limit of liability for all direct loss caused by Mine Subsidence to any one structure in any one occurrence shall not exceed the lesser of the following:

- A. \$300,000, or
- B. The amount shown in the Schedule or Declarations for Mine Subsidence Coverage.

There is a maximum Limit of Insurance for additional living expense of \$25,000. This amount is not included in the amount shown for structures. This limit applies to dwelling (residential) risks only.

Loss Payment is limited to the amount available in the Mine Subsidence Insurance Fund to reimburse the Company.

In the event of loss to any structure insured by this form in excess of the deductible amount, the Company shall be liable for no greater portion of such loss than the amount provided by this form shall bear to all Mine Subsidence Coverage, whether collectible or not.



## KENTUCKY MINE SUBSIDENCE WAIVER FORM

### WAIVER OF INSURANCE

I (WE) DO NOT DESIRE MINE SUBSIDENCE INSURANCE COVERAGE AND HEREBY WAIVE ANY RIGHT TO SUCH COVERAGE, UNDER THIS POLICY OR ANY FUTURE POLICY COVERING MY (OUR) INTEREST IN THE PROPERTY DESCRIBED IN THE POLICY (IN THE APPLICATION), UNLESS I (WE) REQUEST MINE SUBSIDENCE COVERAGE, IN WRITING, AT SOME FUTURE DATE.

\*

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Signature of Named Insured(s)

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**CPP 107 57 01**

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Policy Number (If Renewed)

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Date signed

\*IF INSURED IS A CORPORATION, HAVE AN OFFICER OF THE CORPORATION SIGN WITH HIS TITLE.

## INDIANA - UNINSURED AND UNDERINSURED MOTORIST PROTECTION SELECTION/REJECTION FORM

Indiana law permits you to make certain decisions regarding Uninsured Motorist Coverage and Underinsured Motorist Coverage. This document briefly describes these coverages and the options available. You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorist Coverage or Underinsured Motorist Coverage and your options with respect to these coverages. This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

In accordance with the Indiana law, automobile liability policies may make available Uninsured and Underinsured Motorist Coverage limits equal to the Bodily Injury Liability limits of the policy to which the coverage attaches and to Property Damage Liability equal to the financial responsibility limits for the state of Indiana. Uninsured Motorist Property Damage coverage is available only if you purchase Uninsured Motorist Bodily Injury coverage. You may, however, reject Bodily Injury Liability. A named insured has the right to reject Uninsured Motorist and Underinsured Motorist Coverage on behalf of all other named insureds, all other insureds, and all other persons entitled to coverage under the policy. A rejection of coverage applies to all subsequent policy renewals or replacements. If a named insured rejects Uninsured Motorist Coverage or Underinsured Motorist Coverage in the underlying policy, the rejection also applies to an umbrella or excess liability policy.

If you elect to purchase Uninsured Motorist Bodily Injury coverage, you also may choose to purchase Uninsured Motorist Property Damage coverage. You may also reject Uninsured Motorists Property Damage entirely. This is our offer to you of your Uninsured Motorist and Underinsured Motorist Coverage options.

Please indicate your choice by selecting one option in both Bodily Injury and Property Damage below.

### BODILY INJURY OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Coverage and Underinsured Motorist Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits with Underinsured Motorists Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits without Underinsured Motorist Coverage.

### PROPERTY DAMAGE OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Property Damage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability not subject to a deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit not subject to a deductible.\*\*

\*\* This option is available only when Uninsured Motorist Bodily Injury Coverage is accepted.

I, the insured, understand that I and those who are to be protected under my policy would best be protected by my choosing to purchase Uninsured and Underinsured Motorist Coverage at limits equal to the Bodily Injury Liability limits provided in my policy. Nevertheless, I choose instead to purchase a more limited form of coverage, as specified above.

Attached to and forming a part of Policy Number CPA 107 57 01 and any subsequent policy renewals or replacements thereof.

Effective Date: 05-01-2018

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Named Insured

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Signature of Authorized Representative

---

Title

---

Printed Name of Authorized Representative

---

Title

---

Agent's Signature

ONI RISK PARTNERS INC 13-317  
TERRE HAUTE IN

# THE CINCINNATI INSURANCE COMPANY

## COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

Attached to and forming part of POLICY NUMBER: **CPP 107 57 01** Effective Date: **05-01-2018**

Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS**

Loc. (address)

**PER STATEMENT OF VALUES ON FILE WITH  
THE CINCINNATI INSURANCE COMPANY  
REFER TO IA904**

COVERAGE PROVIDED					OPTIONAL COVERAGES Applicable only when an entry is made							
Item	Coverage	Limits	Coin- surance	Covered Cause of Loss	I N F L A T I O N  G U A R D  (%)	R E P L A C E M E N T  C O S T  (x)	R E P L A C E M E N T  C O S T  (x)	I N C L E S T O C K  C O S T  (x)	A G R E E D  V A L U E  (x)	Business Income Indemnity		
										Monthly Limit (fraction)	Maximum Period (X)	Extended Period (Days)
	BLANKET BUILDING	102,438,644 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD		X			X			
	BLANKET BUSINESS PERSONAL PROPERTY	SEE FA241 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD				X	X			
	BLANKET BUSINESS INCOME (c) AND EXTRA EXPENSE	19,968,728 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD					X			180

DEDUCTIBLE: **\$500.00** unless otherwise stated \$

**SEE FA475**

**EARTHQUAKE DEDUCTIBLE SEE FA241**

**FLOOD DEDUCTIBLE SEE FA104**

MORTGAGE HOLDER Item:

**FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART  
REFER TO FM901**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
1	901 WABASH AVE TERRE HAUTE, IN			47807-3232
3	10720-10730 E US HIGHWAY 36 AVON, IN			46123-7982
4	80 E GARNER RD BROWNSBURG, IN			46112-8704
5	2760-2796 E 146TH ST CARMEL, IN			46033-778
7	831 S RANGELINE RD CARMEL, IN			46032-2506
8	841 S RANGELINE RD CARMEL, IN			46032-2504
9	2920 N NATIONAL RD COLUMBUS, IN			47201-3234
10	10180 BROADWAY CROWN POINT, IN			46307-8804
11	7226 FISHERS CROSSING DR FISHERS, IN			46038-2793
12	11703 OLIO RD FISHERS, IN			46037-7684
13	11675 OLIO RD FISHERS, IN			46037-7683
14	5409-5417 MEIJER DR FORT WAYNE, IN			46835-9487
15	5421 MEIJER DR FORT WAYNE, IN			46835-9487

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
16	LAKEWOOD SUBDIVISION DENNISON, IL 62423 TAX ID #005145			
17	LAKEWOOD SUBDIVISION, LOT 4 DENNISON IL 62423 TAX ID #005145			
18	LAKEWOOD SUBDIVISION, LOT 5 DENNISON IL 62423 TAX ID #005145			
19	LAKEWOOD SUBDIVISION, LOT 8 DENNISON IL 62423 TAX ID #005145			
21	MCFALL/SWORDS COMMONS, LOT 10 MATTOON IL 61938 TAX ID #002044			
23	120 FIELDS ST MOORESVILLE, IN 46158-1491			
24	330 STATE ST MOUNT VERNON, IN 47620-2207			
25	921 OHIO ST TERRE HAUTE, IN 47807-3738			
26	4780 E MARGARET DR TERRE HAUTE, IN 47803-9303			
27	4795-99 S 7TH ST TERRE HAUTE, IN 47802-4559			
28	4800 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4415			
29	4791 S 7TH ST TERRE HAUTE, IN 47802-4559			
30	4803 S 7TH ST TERRE HAUTE, IN 47802-4565			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
31	4900 S US HIGHWAY 41 TERRE HAUTE, IN			47802-4495
33	4423 S US HIGHWAY 41 TERRE HAUTE, IN			47802-4408
34	222 CHERRY ST TERRE HAUTE, IN			47807-2932
35	4790 S US HIGHWAY 41 TERRE HAUTE, IN			47802-4413
36	3087 WABASH AVE TERRE HAUTE, IN			47803-1515
37	3045 WABASH AVE TERRE HAUTE, IN			47803-1515
38	234 IDAHO ST TERRE HAUTE, IN			47802-1930
39	RIGNEY RD & SULLIVAN PLACE TERRE HAUTE, IN			47802
40	3009 WABASH AVE TERRE HAUTE, IN			47803-1515
42	3670 S US HIGHWAY 41 TERRE HAUTE, IN			47802-4104
43	6541 STATE ROAD 42 TERRE HAUTE, IN			47803-9220
44	6541 STATE ROAD 42 LOT 2 TERRE HAUTE, IN			47803-9220
45	401 WABASH AVE TERRE HAUTE, IN			47807-3215

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
46	1834 LAFAYETTE AVE TERRE HAUTE, IN 47804-1417			
48	900 OHIO ST TERRE HAUTE, IN 47807-3722			
49	3375 S 4TH ST TERRE HAUTE, IN 47802			
50	PT SE 1/4 29-33-6 WARSAW, IN 46580			
51	NW 1/4 OF NW 1/4 SEC 25/NE, SEC 26 T 13N PARIS IL 61944 TAX ID #002281			
52	S 1/2 OF E 1/3 OF S 1/2 OF SE, 1/4 OF SW 1/4 ALLERTON IL 61810 TAX ID #006020			
53	NE 1/4 OF SW 1/4 SEC 25 T13N, R11W OF 2ND PM PARIS IL 61944 TAX ID #002281			
54	SEC 27 TWP 13N RG 11W 7 SEC 26 TWP 13N RGE PARIS IL 61944 TAX ID #002281			
55	19295 E 400TH RD ALLERTON IL 61810 TAX ID #006020			
56	135-155 SHERIDAN RD NOBLESVILLE, IN 46060-1310			
57	530 WESTFIELD RD NOBLESVILLE, IN 46060-1320			
58	305-345 SHERIDAN RD NOBLESVILLE, IN 46060-1313			
59	300 SHERIDAN RD NOBLESVILLE, IN 46060-1312			
60	111 LAKEVIEW DR NOBLESVILLE, IN 46060-1308			



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
61	5-55 E KEMPER RD CINCINNATI OH			45246-3224

63	85 E KEMPER RD CINCINNATI OH			45246-3224
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64	11560 PRINCETON PIKE CINCINNATI OH			45246-3206
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67	925 WABASH AVE TERRE HAUTE, IN			47807-3236
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68	2760-2790 ALEXANDRIA WAY HIGHLAND HEIGHTS KY			41076-1524
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69	16 S 9TH ST TERRE HAUTE, IN			47807-3710
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70	2710-2740 ALEXANDRIA PIKE HIGHLAND HEIGHTS KY			41076-1510
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73	0 KINCAID DR FISHERS, IN			46037
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74	135 COUNTY ROAD 6 E ELKHART, IN			46514-5563
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
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77	5399 S US HIGHWAY 41 TERRE HAUTE, IN			47802-4778
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83	13180 MARKET SQUARE DR FISHERS, IN			46038-8389
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84	13204 MARKET SQUARE DR FISHERS, IN			46038-8391
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86	SWC OF CHRISTENBURG PKWY & DERITA RD CONCORD NC			28027
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88	PT NW 36-13-11 VERMILION IL			61955 TAX ID #999999
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103	111 MONUMENT CIR STE 1600 INDIANAPOLIS IN			46204-5100
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
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107	13272 MARKET SQUARE DR FISHERS, IN 46038-8385			
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108	8845 CHRISTENBURY PKWY CONCORD NC 28027			
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110	3131 E CAMELBACK RD STE 115 PHOENIX AZ 85016 TAX ID #05500			
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111	SWC OF KEN PRATT BLVD & MARTIN ST LONGMONT CO 80501			
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112	21135 SOUTH ELLSWORTH LOOP RD QUEEN CREEK AZ 85142 TAX ID #058150			
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114	2039 S HIGHWAY 27 SOMERSET, KY 42501-2927			
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115	19828 E 500TH RD PARIS IL 61944-6237 TAX ID #005212			
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116	SW 1/4 OF NE 1/4 OF SECTION 26 PARIS IL 61944 TAX ID #002281			
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117	PTE 940.5 SE PARIS IL 61944 TAX ID #002281			
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118	500 WABASH AVE TERRE HAUTE, IN 47807-3218			
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119	21181 S ELLSWORTH LOOP RD QUEEN CREEK AZ 85142 TAX ID #058150			
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120	20715 S ELLSWORTH RD QUEEN CREEK AZ 85142 TAX ID #058150			
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
121	21227 S ELLSWORTH RD QUEEN CREEK AZ TAX ID #058150	85142		
122	21295 S ELLSWORTH RD QUEEN CREEK AZ TAX ID #058150	85142		
124	21239 S ELLSWORTH RD QUEEN CREEK AZ TAX ID #058150	85142		
125	21317 S ELLSWORTH RD QUEEN CREEK AZ TAX ID #058150	85142		
126	21351 S ELLSWORTH RD QUEEN CREEK AZ TAX ID #058150	85142		
127	21373 S ELLSWORTH RD QUEEN CREEK AZ TAX ID #058150	85142		
128	21323 S ELLSWORTH RD QUEEN CREEK AZ TAX ID #058150	85142		
129	11099 DRANSFELDT RD PARKER CO	80134		
130	5906 W PARKER RD PARKER CO	80134		
132	21293 S ELLSWORTH LOOP RD QUEEN CREEK AZ TAX ID #058150	85142		
134	SWC BELL RD & CIVIC CENTER DR SURPRISE AZ TAX ID #071510	85374		
135	16200 LYDIA HILL DR CHESTERFIELD MO	63017		

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
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137	8844 E ELMENDORF DR DENVER CO 80249			
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139	SW INTERSECTION OF TOLL RD & FIR RD MISHAWAKA, IN 46544			
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143	8875 CHRISTENBURY PKWY CONCORD NC 84070			
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144	10672 S STATE ST SANDY UT 84070			
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145	955 N 400 W LAYTON UT 84041			
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146	I-69 & 116TH ST FISHERS, IN 46038			
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147	2880 S ALMA SCHOOL RD CHANDLER AZ 85226 TAX ID #012000			
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148	24 N 6TH ST TERRE HAUTE, IN 47807-3124			
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149	8885-8905 CHRISTENBURY PKWY CONCORD NC 28027			
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150	2330 N MORTON ST FRANKLIN, IN 46131			
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
151	4820 BAUER FARM DR LAWRENCE KS 66049			
152	8915 CHRISTENBURY CONCORD NC 28027			
153	9641 N AMBASSADOR DR KANSAS CITY MO 64154			
154	4593 WALL TRIANA HWY MADISON AL 35758 TAX ID #045784			
155	NEC OF WREN DR & RAY RD GILBERT AZ 85234 TAX ID #027400			
156	3657 W CHANDLER BLVD CHANDLER AZ 85226 TAX ID #012000			
157	14385 W BELL RD SURPRISE AZ 85374 TAX ID #071510			
158	1017 CHARLESTON AVE E, LOC 3 MTB MATTOON IL 61938 TAX ID #002044			
159	2725 CASSOPOLIS ST ELKHART, IN 46514-5131			
160	1405 S CENTER ST TERRE HAUTE, IN 47802-1121			
161	3169 WILLOW CREEK RD PRESCOTT AZ 86301 TAX ID #057380			
162	4871 FORT CAMPBELL BLVD HOPKINSVILLE, KY 42240-9273			
163	4805 FORT CAMPBELL BLVD HOPKINSVILLE, KY 42240-9269			
164	4813-4895 FORT CAMPBELL BLVD HOPKINSVILLE, KY 42240-9269			
165	13200 SHELBYVILLE RD LOUISVILLE, KY 40223-3934			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
166	14357 W BELL RD SURPRISE AZ 85374 TAX ID #071510			
167	14343 W BELL RD SURPRISE AZ 85374 TAX ID #071510			
168	4358 N 2025TH ST # 18.03A PARIS IL 61944-6241 TAX ID #005212			
169	6854 GOVERNORS WEST HUNTSVILLE AL 35806 TAX ID #037000			
170	9915 N UNION ST COLORADO SPRINGS CO 80922			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

This Schedule supplements the Declarations.

### **SCHEDULE**

Named Insured:

**THOMPSON THRIFT DEVELOPMENT INC**

**THOMPSON THRIFT PROPERTIES LLC**

**3600 S 41 LLC**

**TT COMMERCIAL TWO LLC**

**GEIST LANDING OF FISHERS LLC**

**TT COMMERCIAL THREE LLC**

**4790 S 41 LLC**

**COOL CREEK VILLAGE LLC**

**WARSAW 15-300N I LLC**

**WARSAW 15-300N III LLC**

**100 DETTRO DRIVE MATTOON LLC**

**4800 S 41 LLC**

**TT FORT WAYNE LLC**

**4423 S 41 LLC**

**TT COMMERCIAL FOUR LLC**

**JP COMMERCIAL LLC**

**10720 E HWY 36 LLC**

**DREXEL OAK CREEK WI LLC**

**901 WABASH LLC**

**TT COMMERCIAL ONE LLC**

**111 LAKEVIEW LLC**

**900 OHIO LLC**

**921 OHIO LLC**

**TT CROWN POINT LLC**

**4780 E MARGARET AVE LLC**



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

This Schedule supplements the Declarations.

### **SCHEDULE**

Named Insured:

**SPRINGDALE POINTE LLC**

**WESTERN PLAZA LLC**

**CASSOPOLIS STREET ELKHART LLC**

**SIMON ROAD FRANKLIN LLC**

**925 WABASH LLC**

**ALEXANDRIA PIKE HIGHLAND HEIGHTS LLC**

**THOMPSON THRIFT HOLDING CO LLC**

**FISHERS MARKET SQUARE DRIVE LLC**

**106TH STREET PARTNERS LLC**

**500 WABASH HOUSING LLC**

**TTS LAND CO LLC**

**TT S 41 LLC**

**BAUER FARM LAWRENCE KS LLC**

**ICEBREAKER DEVELOPMENT LLC**

**QUEEN CREEK AZ LLC**

**FISHERS MARKET PLACE LOT 4E LLC**

**2007 S HWY 27 SOMERSET KY LLC**

**500 WABASH COMMERCIAL LLC**

**HWY 41A HOPKINSVILLE KY LLC**

**200 CROSSROADS PLOVER WI LLC**

**BELL ROAD SURPRISE AZ LLC**

**CHANDLER BLVD CHANDLER AZ LLC**

**SPRINGDALE POINTE MTB LLC**

**HUNTSVILLE MADISON AL LLC**

**300 SHERIDAN LLC**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

This Schedule supplements the Declarations.

### **SCHEDULE**

Named Insured:

**SPRINGDALE ESTATES FISHERS IN LLC**

**ALMA SCHOOL RD CHANDLER AZ LLC**

**3131 CAMELBACK RD LLC**

**BAUER FARM LAWRENCE KS LLC**

**WATERMARK AT TIFFANY SPRINGS MO LLC**

**WATERMARK AT GILBERT AZ LLC**

**BELL ROAD SURPRISE AZ LLC**

**SHELBYVILLE RD LOUISVILLE KY LLC**

**LOT 1A ELKHART LLC**

**GEIST LANDING II LLC**

**WATERMARK AT HUNTSVILLE AL LLC**

**WATERMARK AT BRIARGATE CO LLC**



# The Cincinnati Insurance Company

A Stock Insurance Company

**Headquarters:** 6200 S. Gilmore Road, Fairfield, OH 45014-5141

**Mailing address:** P.O. Box 145496, Cincinnati, OH 45250-5496

[www.cinfin.com](http://www.cinfin.com) ■ 513-870-2000

## COMMON POLICY DECLARATIONS

**RENEWAL**

<b>DECLARATIONS</b>	<b>POLICY NUMBER</b>	CPP 107 57 01/CPA 107 57 01	
<b>NAMED INSURED</b> THOMPSON THRIFT DEVELOPMENT INC REFER TO NAMED INSURED ENDORSEMENT			
<b>ADDRESS</b> 901 WABASH AVE TERRE HAUTE IN 47807-3232 (Number & Street, Town, County, State & Zip Code)			
<b>Previous Policy Number:</b> CPP 107 57 01 / CPA 107 57 01			
<b>Policy Period:</b> At 12:01 A.M., STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE			
<b>All coverages except Automobile and / or Garage</b> Policy number: CPP 107 57 01 FROM: 05-01-2018 TO: 05-01-2019			
<b>Automobile and / or Garage</b> Policy number: CPA 107 57 01 FROM: 05-01-2018 TO: 05-01-2019			
Agency ONI RISK PARTNERS INC 13-317 City TERRE HAUTE IN (812) 478-6000			
<b>Legal Entity / Business Description</b> LIMITED LIABILITY COMPANY			
IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.			
FORMS APPLICABLE TO ALL COVERAGE PARTS: (show numbers)			
IA4330	03/08	IA102	09/08
IA905	02/98	IA4135	08/16
IA4433IL	03/17	GA4101UT	02/06
IA4215MO	02/14	IA4298NC	01/07
IA4382IL	07/17	IA4395IL	04/17
IL0158	09/08	IL0192	02/08
MI1371IN	09/05	IA4087	08/11
IA4238	01/15	IA4338	05/11
GA501	10/01	MA524	09/05
AA501	03/06	USC504	12/04
		SKY1	11/15
		IA904	04/04
		IL0022	05/87
		IA4201KS	01/16
		IA4347IN	09/08
		IL0156	07/89
		IP412	12/92
		IA4299NC	10/07
		FM501	08/06
		PA535	08/07
		IA461	06/10
TAX ID # - REFER TO IA904			

LCB LB2

07-11-2018

Countersigned \_\_\_\_\_ By \_\_\_\_\_  
 (Date) (Authorized Representative)

ORIGINAL

IA 501 01 12

THE CINCINNATI INSURANCE COMPANY 0244-10677		
THE CINCINNATI CASUALTY COMPANY 0244-28665		
THE CINCINNATI INDEMNITY COMPANY 0244-23280		
AUTOMOBILE LIABILITY I.D. CARD		
State	Date Processed	
IN	05-07-2019	
Policy No.	Effective Date	Expiration Date
EBA 053 36 25	05-01-2019	05-01-2020
Insured: THOMPSON THRIFT DEVELOPMENT INC		
901 WABASH AVE TERRE HAUTE, IN 47807-3232		
MOTOR VEHICLE INSURED		
Year	Make	
2018	FORD EXPEDITION	
Vehicle Identification No.		
1FMJK1MT6JEA09844		
Signature _____		
<b>IN CASE YOU HAVE AN ACCIDENT. . .</b> <b>CALL YOUR AGENT. . .</b>		
ONI RISK PARTNERS, INC. 13-317		
P.O. BOX 80159 INDIANAPOLIS, IN 46280-0159		
812-478-6000		
The Cincinnati Insurance Company The Cincinnati Casualty Company The Cincinnati Indemnity Company		
P.O. Box 145496, Cincinnati, OH, 45250-5496 (513) 870-2000		
AA 4122 09/01		

**KEEP THIS CARD  
IN YOUR MOTOR VEHICLE  
WHILE IN OPERATION**

We can serve you better if you...

1. Report all claims immediately to the police and to your agent.
2. Get the names, addresses, and telephone numbers of all drivers, owners, and occupants of the other cars involved.
3. Get the names, addresses, and telephone numbers of any witnesses.
4. Do not accept responsibility or discuss the accident with anyone except a police officer or a representative of this Company.

**SUPPLEMENTARY PAYMENTS**

This Company agrees, through its Representative or otherwise, to pay premiums or costs on bonds to release attachments, also, the premium on or cost of bail bonds not to exceed the limit per bail bond listed in "supplementary payments" in the policy. The Company has no obligation to apply for or furnish any such bonds.

CONSULT YOUR POLICY FOR ACTUAL COVERAGE IN FORCE ON SPECIFIC VEHICLES.

**SERVICE TO YOU IS OUR MAIN CONCERN**

<p> <input checked="" type="checkbox"/> <b>THE CINCINNATI INSURANCE COMPANY 0244-10677</b>  <input type="checkbox"/> <b>THE CINCINNATI CASUALTY COMPANY 0244-28665</b>  <input type="checkbox"/> <b>THE CINCINNATI INDEMNITY COMPANY 0244-23280</b> </p> <p align="center"><b>AUTOMOBILE LIABILITY I.D. CARD</b></p> <p> State _____ Date Processed _____  <b>IN</b> _____ <b>05-07-2019</b> </p> <p> Policy No. _____ Effective Date _____ Expiration Date _____  <b>EBA 053 36 25</b> <b>05-01-2019</b> <b>05-01-2020</b> </p> <p><b>Insured: THOMPSON THRIFT DEVELOPMENT INC</b></p> <p><b>901 WABASH AVE</b>  <b>TERRE HAUTE, IN 47807-3232</b></p> <p align="center"><b>MOTOR VEHICLE INSURED</b></p> <p> Year _____ Make _____  <b>2010</b> <b>FORD F150</b> </p> <p>Vehicle Identification No.  <b>1FTMF1CW4AKE69362</b> </p> <p><b>Signature</b> _____</p>	<p align="center"><b>KEEP THIS CARD IN YOUR MOTOR VEHICLE WHILE IN OPERATION</b></p> <p>We can serve you better if you...</p> <ol style="list-style-type: none"> <li>1. Report all claims immediately to the police and to your agent.</li> <li>2. Get the names, addresses, and telephone numbers of all drivers, owners, and occupants of the other cars involved.</li> <li>3. Get the names, addresses, and telephone numbers of any witnesses.</li> <li>4. Do not accept responsibility or discuss the accident with anyone except a police officer or a representative of this Company.</li> </ol> <p align="center"><b>SUPPLEMENTARY PAYMENTS</b></p> <p>This Company agrees, through its Representative or otherwise, to pay premiums or costs on bonds to release attachments, also, the premium on or cost of bail bonds not to exceed the limit per bail bond listed in "supplementary payments" in the policy. The Company has no obligation to apply for or furnish any such bonds.</p> <p><b>CONSULT YOUR POLICY FOR ACTUAL COVERAGE IN FORCE ON SPECIFIC VEHICLES.</b></p> <p align="center"><b>SERVICE TO YOU IS OUR MAIN CONCERN</b></p>
<p align="center"><b>IN CASE YOU HAVE AN ACCIDENT... CALL YOUR AGENT...</b></p> <p><b>ONI RISK PARTNERS, INC. 13-317</b></p> <p><b>P.O. BOX 80159</b>  <b>INDIANAPOLIS, IN 46280-0159</b></p> <p><b>812-478-6000</b></p> <p><b>The Cincinnati Insurance Company</b>  <b>The Cincinnati Casualty Company</b>  <b>The Cincinnati Indemnity Company</b></p> <p><b>P.O. Box 145496, Cincinnati, OH, 45250-5496</b>  <b>(513) 870-2000</b></p> <p align="right"><b>AA 4122 09/01</b></p>	

<p> <input checked="" type="checkbox"/> <b>THE CINCINNATI INSURANCE COMPANY 0244-10677</b>  <input type="checkbox"/> <b>THE CINCINNATI CASUALTY COMPANY 0244-28665</b>  <input type="checkbox"/> <b>THE CINCINNATI INDEMNITY COMPANY 0244-23280</b> </p> <p align="center"><b>AUTOMOBILE LIABILITY I.D. CARD</b></p> <p> State _____ Date Processed _____  <b>IN</b> _____ <b>05-07-2019</b> </p> <p> Policy No. _____ Effective Date _____ Expiration Date _____  <b>EBA 053 36 25</b> <b>05-01-2019</b> <b>05-01-2020</b> </p> <p><b>Insured: THOMPSON THRIFT DEVELOPMENT INC</b></p> <p><b>901 WABASH AVE</b>  <b>TERRE HAUTE, IN 47807-3232</b></p> <p align="center"><b>MOTOR VEHICLE INSURED</b></p> <p> Year _____ Make _____  <b>2018</b> <b>FORD F150</b> </p> <p>Vehicle Identification No.  <b>1FTMF1CBXJKF52274</b> </p> <p><b>Signature</b> _____</p>	<p align="center"><b>KEEP THIS CARD IN YOUR MOTOR VEHICLE WHILE IN OPERATION</b></p> <p>We can serve you better if you...</p> <ol style="list-style-type: none"> <li>1. Report all claims immediately to the police and to your agent.</li> <li>2. Get the names, addresses, and telephone numbers of all drivers, owners, and occupants of the other cars involved.</li> <li>3. Get the names, addresses, and telephone numbers of any witnesses.</li> <li>4. Do not accept responsibility or discuss the accident with anyone except a police officer or a representative of this Company.</li> </ol> <p align="center"><b>SUPPLEMENTARY PAYMENTS</b></p> <p>This Company agrees, through its Representative or otherwise, to pay premiums or costs on bonds to release attachments, also, the premium on or cost of bail bonds not to exceed the limit per bail bond listed in "supplementary payments" in the policy. The Company has no obligation to apply for or furnish any such bonds.</p> <p><b>CONSULT YOUR POLICY FOR ACTUAL COVERAGE IN FORCE ON SPECIFIC VEHICLES.</b></p> <p align="center"><b>SERVICE TO YOU IS OUR MAIN CONCERN</b></p>
<p align="center"><b>IN CASE YOU HAVE AN ACCIDENT... CALL YOUR AGENT...</b></p> <p><b>ONI RISK PARTNERS, INC. 13-317</b></p> <p><b>P.O. BOX 80159</b>  <b>INDIANAPOLIS, IN 46280-0159</b></p> <p><b>812-478-6000</b></p> <p><b>The Cincinnati Insurance Company</b>  <b>The Cincinnati Casualty Company</b>  <b>The Cincinnati Indemnity Company</b></p> <p><b>P.O. Box 145496, Cincinnati, OH, 45250-5496</b>  <b>(513) 870-2000</b></p> <p align="right"><b>AA 4122 09/01</b></p>	

<div style="border-bottom: 1px solid black; margin-bottom: 5px;"> <input checked="" type="checkbox"/> <b>THE CINCINNATI INSURANCE COMPANY 0244-10677</b> </div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"> <b>THE CINCINNATI CASUALTY COMPANY 0244-28665</b> </div> <div style="border-bottom: 1px solid black;"> <b>THE CINCINNATI INDEMNITY COMPANY 0244-23280</b> </div> <p style="text-align: center;"><b>AUTOMOBILE LIABILITY I.D. CARD</b></p> <p>State _____ Date Processed _____  <b>IN</b> <b>05-07-2019</b></p> <p>Policy No. _____ Effective Date _____ Expiration Date _____  <b>EBA 053 36 25</b> <b>05-01-2019</b> <b>05-01-2020</b></p> <p>Insured: <b>THOMPSON THRIFT DEVELOPMENT INC</b></p> <p><b>901 WABASH AVE</b>  <b>TERRE HAUTE, IN 47807-3232</b></p> <p style="text-align: center; margin-top: 20px;"><b>MOTOR VEHICLE INSURED</b></p> <p>Year _____ Make _____  <b>2018</b> <b>FORD F150</b></p> <p>Vehicle Identification No.  <b>1FTMF1CB7JKE43836</b></p> <p>Signature _____</p>	<p style="text-align: center;"><b>KEEP THIS CARD IN YOUR MOTOR VEHICLE WHILE IN OPERATION</b></p> <p>We can serve you better if you...</p> <ol style="list-style-type: none"> <li>1. Report all claims immediately to the police and to your agent.</li> <li>2. Get the names, addresses, and telephone numbers of all drivers, owners, and occupants of the other cars involved.</li> <li>3. Get the names, addresses, and telephone numbers of any witnesses.</li> <li>4. Do not accept responsibility or discuss the accident with anyone except a police officer or a representative of this Company.</li> </ol> <p style="text-align: center; margin-top: 20px;"><b>SUPPLEMENTARY PAYMENTS</b></p> <p>This Company agrees, through its Representative or otherwise, to pay premiums or costs on bonds to release attachments, also, the premium on or cost of bail bonds not to exceed the limit per bail bond listed in "supplementary payments" in the policy. The Company has no obligation to apply for or furnish any such bonds.</p> <p><b>CONSULT YOUR POLICY FOR ACTUAL COVERAGE IN FORCE ON SPECIFIC VEHICLES.</b></p> <p style="text-align: center; margin-top: 40px;"><b>SERVICE TO YOU IS OUR MAIN CONCERN</b></p>
<p style="text-align: center;"><b>IN CASE YOU HAVE AN ACCIDENT... CALL YOUR AGENT...</b></p> <p><b>ONI RISK PARTNERS, INC. 13-317</b></p> <p><b>P.O. BOX 80159</b>  <b>INDIANAPOLIS, IN 46280-0159</b></p> <p><b>812-478-6000</b></p> <p><b>The Cincinnati Insurance Company</b>  <b>The Cincinnati Casualty Company</b>  <b>The Cincinnati Indemnity Company</b></p> <p><b>P.O. Box 145496, Cincinnati, OH, 45250-5496</b>  <b>(513) 870-2000</b></p> <p style="text-align: right;"><b>AA 4122 09/01</b></p>	



**The Cincinnati Insurance Company  
The Cincinnati Casualty Company  
The Cincinnati Indemnity Company**

**Policy Number: EPP 053 36 25**

**Effective Date: 05-01-2019**

**Named Insured: THOMPSON THRIFT DEVELOPMENT INC**

For professional advice and policy questions or changes, please contact your local independent agency:

**ONI RISK PARTNERS, INC.  
P.O. BOX 80159  
INDIANAPOLIS, IN 46280-0159**

**812-478-6000**

Dear Policyholder:

**Thank you**

Thank you for trusting The Cincinnati Insurance Companies with your commercial insurance coverage. We recognize that locally based independent agents have the working knowledge to help you choose the right insurance company for your needs. Together with your local independent insurance agency, we are committed to providing you with the highest level of service.

Please review your enclosed policy information to verify your coverage details, as well as deductibles and coverage amounts. Should your needs change, your agent is available to review and update your policy.

**Please promptly report claims**

If you experience a policy-related loss, you may report it by contacting your local professional independent agency representing The Cincinnati Insurance Companies or by directly calling us toll-free at **877-242-2544** and providing your policy number and claim-related information.

Sincerely,



Sean M. Givler  
Senior Vice President - Commercial Lines



## BUSINESS INCOME REPORT/WORK SHEET

Date 05-07-2019

Your Name THOMPSON THRIFT DEVELOPMENT INC

Location \_\_\_\_\_

This work sheet must be completed on an accrual basis.

The beginning and ending inventories in all calculations should be based on the same valuation method.

---

### APPLICABLE WHEN THE AGREED VALUE COVERAGE OPTION APPLIES:

I certify that this is a true and correct report of values as required under this policy for the periods indicated and that the Agreed Value for the period of coverage is \$ \_\_\_\_\_, based on a Co-insurance percentage of \_\_\_\_\_ %

Signature \_\_\_\_\_

Official Title \_\_\_\_\_

---

### APPLICABLE WHEN THE PREMIUM ADJUSTMENT FORM APPLIES:

I certify that this is a true and correct report of values as required under this policy for the 12 months ended \_\_\_\_\_

Signature \_\_\_\_\_

Official Title \_\_\_\_\_

Agent or Broker \_\_\_\_\_

Mailing Address \_\_\_\_\_

**BUSINESS INCOME REPORT/WORK SHEET  
FINANCIAL ANALYSIS**

		12 Month Period Ending _____	Estimated for 12 Month Period Beginning _____
<u>Income and Expenses</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>
			<u>Non- Manufacturing</u>
<b>A.</b> Gross Sales	\$ _____	\$ _____	\$ _____
<b>B.</b> DEDUCT: Finished Stock Inventory (at sales value) at Beginning	- _____	XXXXXX _____ XXXXXX _____	- _____
			XXXXXX _____ XXXXXX _____
<b>C.</b> ADD: Finished Stock Inventory (at sales value) at End	+ _____	XXXXXX _____ XXXXXX _____	+ _____
			XXXXXX _____ XXXXXX _____
<b>D.</b> Gross Sales Value of Production	\$ _____	XXXXXX _____ XXXXXX _____	\$ _____
<b>E.</b> DEDUCT: Prepaid Freight - Outgoing	- _____	- _____	- _____
Returns & Allowances	- _____	- _____	- _____
Discounts	- _____	- _____	- _____
Bad Debts	- _____	- _____	- _____
Collection Expenses	- _____	- _____	- _____
<b>F.</b> Net Sales		\$ _____	
Net Sales Value of Production	\$ _____		\$ _____
<b>G.</b> ADD: Other Earnings from your business operations (not investment income or rents from other properties):			
Commissions or Rents	+ _____	+ _____	+ _____
Cash Discounts Received	+ _____	+ _____	+ _____
Other	+ _____	+ _____	+ _____
<b>H.</b> Total Revenues	\$ _____	\$ _____	\$ _____

	12 Month Period Ending _____		Estimated for 12 Month Period Beginning _____	
<u>Income and Expenses</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>
Total Revenues (Line <b>H.</b> from previous page	\$ _____	\$ _____	\$ _____	\$ _____
<b>I. DEDUCT:</b>				
Cost of goods sold (see next page for instructions)	- _____	- _____	- _____	- _____
Cost of services purchased from outsiders (not your employees) to resell, that do not continue under contract	- _____	- _____	- _____	- _____
Power, heat and refrigera- tion expenses that do not continue under contract (if <b>CP 15 11</b> is attached)	- _____	- XXXXXX	- _____	- XXXXXX
All ordinary payroll expenses or the amount of payroll expense excluded (if <b>CP 15 10</b> is attached)	- _____	- XXXXXX	- _____	- XXXXXX
Special deductions for mining properties (see next page for instructions)	- _____	- _____	- _____	- _____
<b>J.1.</b> Business Income exposure for 12 months	\$ _____	_____	_____	_____
<b>J.2.</b> Combined (firms engaged in manufacturing & non- manufacturing operations)	\$ _____		\$ _____	
The figures in <b>J.1. or J.2</b> represent 100% of your actual and estimated Business Income exposure for 12 months				
<b>K. Additional Expenses:</b>				
1. Extra Expenses - form <b>CP 00 30</b> only (expenses incurred to avoid or minimize suspension of business & to continue operations)			\$ _____	\$ _____

## 2. Extended Business Income

and Extended Period of  
Indemnity - form **CP 00 30** or  
**CP 00 32** (loss of Business  
Income following resumption  
of operations, up to 30 days  
or the no. of days selected  
under Extended Period of  
Indemnity option)

3. Combined (all amounts in **K.1.**  
and **K.2.**)

+ \_\_\_\_\_ + \_\_\_\_\_  
\$ \_\_\_\_\_  
"Estimated" column  
\$ \_\_\_\_\_

**L.** Total of **J.** and **K.**

The figure in **L.** represents 100% of your estimated Business Income exposure for 12 months, and additional expenses. Using this figure as information, determine the approximate amount of insurance needed based on your evaluation of the number of months needed (may exceed 12 months) to replace your property, resume operations and restore the business to the condition that would have existed if no property damage had occurred.

Refer to the agent or Company for information on available Coinsurance levels and indemnity options. The Limit of Insurance you select will be shown in the Declarations of the policy.

**Supplementary Information**  
**12 Month Period**  
**Ending**

**Estimated for 12 Month Period**  
**Beginning**

	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>
<b>CALCULATION OF COST OF GOODS SOLD</b>				
Inventory at beginning of year (Including raw material and stock in process, but not finished stock, for manufacturing risks)	\$ _____	\$ _____	\$ _____	\$ _____
Add: The following purchase costs: Cost of raw stock (including transportation charges)	+ _____	XXXXXX	+ _____	XXXXXX
Cost of factory supplies consumed	+ _____	XXXXXX	+ _____	XXXXXX
Cost of merchandise sold including transportation charges (for manufacturing risks, means cost of merchandise sold but not manufactured by you)	+ _____	+ _____	+ _____	+ _____
Cost of other supplies consumed (including transportation charges)	+ _____	+ _____	+ _____	+ _____
Cost of goods available for sale	\$ _____	\$ _____	\$ _____	\$ _____
Deduct: Inventory at end of year (Including raw material and stock in process, but not finished stock, for manufacturing risks)	- _____	- _____	- _____	- _____
Costs of Goods Sold (Enter this figure in Item <b>I.</b> on previous page)	\$ _____	\$ _____	\$ _____	\$ _____

CALCULATION OF SPECIAL  
DEDUCTIONS - MINING PROPERTIES

Royalties, unless specifically included in coverage	\$ _____	\$ _____
Actual depletion, commonly known as unit or cost depletion (not percentage depletion)	+ _____	+ _____
Welfare and retirement fund charges based on tonnage	+ _____	+ _____
Hired trucks	+ _____	+ _____
Enter this figure in Item I. on previous page	\$ <u>_____</u>	\$ <u>_____</u>

## **NORTH CAROLINA NOTICE TO POLICYHOLDERS OF PROPERTY EXCLUSIONS**

**WARNING: THIS PROPERTY INSURANCE POLICY DOES NOT  
PROTECT YOU AGAINST LOSSES FROM:**

**FLOOD**

**MUDFLOW OR MUDSLIDE**

**EARTHQUAKE OR LANDSLIDE**

**YOU SHOULD CONTACT YOUR INSURANCE COMPANY OR  
AGENT TO DISCUSS YOUR OPTIONS FOR OBTAINING COV-  
ERAGE FOR THESE LOSSES.**

**THIS IS NOT A COMPLETE LISTING OF ALL OF THE CAUSES  
OF LOSSES NOT COVERED UNDER YOUR POLICY. YOU  
SHOULD READ YOUR ENTIRE POLICY TO UNDERSTAND  
WHAT IS COVERED AND WHAT IS NOT COVERED.**



## The Cincinnati Insurance Company

A Stock Insurance Company

**Headquarters:** 6200 S. Gilmore Road, Fairfield, OH 45014-5141

**Mailing address:** P.O. Box 145496, Cincinnati, OH 45250-5496

[www.cinfin.com](http://www.cinfin.com) ■ 513-870-2000

### COMMON POLICY DECLARATIONS

Billing Method: **AGENCY BILL**

POLICY NUMBER **EPP 053 36 25 / EBA 053 36 25**

**NAMED INSURED** THOMPSON THRIFT DEVELOPMENT INC

REFER TO IA905

**ADDRESS**

901 WABASH AVE

(Number & Street, Town, County, State & Zip Code) **TERRE HAUTE, IN 47807-3232**

**Previous Policy Number:**

**CPP1075701**

**Policy Period:** At 12:01 A.M., STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

**All coverages except Automobile and / or Garage**

Policy number: **EPP 053 36 25**

FROM: 05-01-2019

TO: 05-01-2020

**Automobile and / or Garage**

Policy number: **EBA 053 36 25**

FROM: 05-01-2019

TO: 05-01-2020

Agency **ONI RISK PARTNERS, INC. 13-317**

City **TERRE HAUTE, IN**

**PRODUCER: STEVE DANIELSON**

**Legal Entity / Business Description**

**LIMITED LIABILITY COMPANY**

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

FORMS APPLICABLE TO ALL COVERAGE PARTS:

IA4298NC	01/07	NORTH CAROLINA NOTICE TO POLICYHOLDERS OF PROPERTY EXCLUSIONS
IA461	06/10	COINSURANCE CONTRACT
SKY1	11/15	NOTICE
IL0017	11/98	COMMON POLICY CONDITIONS
IA102A	09/08	SUMMARY OF PREMIUMS CHARGED
IA904	04/04	SCHEDULE OF LOCATIONS
IA905	02/98	NAMED INSURED SCHEDULE
CG2018	04/13	ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE OR RECEIVER
CP1410	06/95	ADDITIONAL COVERED PROPERTY
FA480	02/16	LOSS PAYABLE PROVISIONS
FM903	01/99	COMMERCIAL PROPERTY MORTGAGE HOLDER SCHEDULE
GA4115	10/01	ADDITIONAL INSURED - TENANTS
IA4087	09/17	CANCELLATION OR NONRENEWAL BY US NOTIFICATION TO A DESIGNATED ENTITY
IA4186TX	02/99	TEXAS NOTICE TO POLICYHOLDERS
IA4236	01/15	POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE
IA4344TX	10/09	TEXAS NOTICE TO POLICYHOLDERS EXCLUSION - ASBESTOS
IP409IL	01/91	IMPORTANT INFORMATION TO POLICYHOLDERS ILLINOIS
IP446	08/01	NOTICE TO POLICYHOLDERS
MI1371IN	09/05	NOTICE TO POLICYHOLDERS
IA4105IN	08/16	INDIANA CHANGES - CANCELLATION AND NONRENEWAL

## FORMS APPLICABLE TO ALL COVERAGE PARTS:

IA4201KS	01/16	KANSAS CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD
IA4238	01/15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IA4332TX	08/16	TEXAS IMPORTANT NOTICE
IA4338	05/11	SIGNATURE ENDORSEMENT
IA4347IN	09/08	INDIANA CHANGES - RIGHTS OF RECOVERY
IA4376KY	12/09	KENTUCKY TAXES ENDORSEMENT
IA4382IL	07/17	ILLINOIS CHANGES
IA4442	05/14	NOTICE TO POLICYHOLDERS - EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY
IL0156	07/89	INDIANA CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD
IL0158	09/08	INDIANA CHANGES
IL0168	05/02	TEXAS CHANGES - DUTIES
IP412	12/92	IMPORTANT INFORMATION TO POLICYHOLDERS
IL0192	02/08	INDIANA CHANGES - POLLUTION
FM502	07/08	COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
GA532	07/08	COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS
MA573	06/07	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM DECLARATIONS
MA558	06/07	SIGNS COVERAGE PART DECLARATIONS
PA535	08/07	REAL ESTATE AGENTS ERRORS AND OMISSIONS
AA505	03/06	BUSINESS AUTO COVERAGE PART DECLARATIONS
USC513	05/10	COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS

05-07-2019 11:33

Countersigned \_\_\_\_\_

(Date)

By \_\_\_\_\_

(Authorized Representative)

**COINSURANCE CONTRACT**

The rate charged in this policy is based upon use of a coinsurance clause attached hereto, with the consent of the insured.

**IA-461 (6/10)****NOTICE**

Your premium for this policy includes a Kentucky state surcharge tax required by KRS 136.392 and a tax which will be remitted to the municipality or county in which you reside as required by KRS 91A.080. The amount of the tax is shown on your policy.

S-KY-1 (11/15)



# COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

## A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

## B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

## C. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

## D. Inspections and Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

## E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

## F. Transfer of Your Rights and Duties Under this Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

## SUMMARY OF PREMIUMS CHARGED

Attached to and forming part of

POLICY NUMBER: **EPP 053 36 25 / EBA 053 36 25**

Effective Date: 05-01-2019

Named Insured: **THOMPSON THRIFT DEVELOPMENT INC**

**THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM CHARGE IS INDICATED**

Commercial Property Coverage Part	W/EBC	\$	77,504
Commercial General Liability Coverage Part		\$	45,243
Commercial Auto Coverage Part		\$	5,024
Commercial Umbrella / Excess Liability Coverage Part		\$	16,991
ELECTRONIC DATA PROCESSING EQUIPMENT		\$	949
SIGNS		\$	1,668
REAL ESTATE AGENTS ERRORS AND OMISSIONS		\$	4,245
KY MUNICIPAL TAX - REFER TO IA4376KY		\$	321
KY SURCHARGE - REFER TO IA4376KY		\$	58
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
Terrorism Coverage		\$	1,105
Installment Charge		\$	
ANNUAL TOTAL PAYMENTS		\$	153,108

	First Installment	Remaining Installment(s)
<b>ANNUAL</b>	<b>153,108</b>	

Automobile Coverages, Employers Liability, Employment Practices Liability Coverage, Professional Liability Coverage, Terrorism Coverage and / or Wrongful Acts Coverage, if included in the policy, are subject to Annual Adjustment of rates and premium on each anniversary of the policy.

Commercial Umbrella and Excess Liability, if included in the policy, may be subject to Annual Adjustment of premium on each anniversary. Refer to the Commercial Umbrella or Excess Liability Coverage Part Declarations form to see if this is applicable.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED**

IA 102 A 09 08

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<b><u>LOC.</u></b>	<b><u>STREET ADDRESS</u></b>	<b><u>CITY</u></b>	<b><u>STATE</u></b>	<b><u>ZIP CODE</u></b>
1	901 WABASH AVE TERRE HAUTE, IN 47807-3232			
2	10720-10730 E US HIGHWAY 36 AVON, IN 46123-7982			
3	80 E GARNER RD BROWNSBURG, IN 46112-8704			
4	2760-2796 E 146TH ST CARMEL, IN 46033			
5	831 S RANGELINE RD CARMEL, IN 46032-2506			
6	841 S RANGELINE RD CARMEL, IN 46032-2504			
7	2920 N NATIONAL RD COLUMBUS, IN 47201-3234			
8	10180 BROADWAY CROWN POINT, IN 46307-8804			
9	7226 FISHERS CROSSING DR FISHERS, IN 46038-2793			
10	11703 OLIO RD FISHERS, IN 46037-7684			
11	11675 OLIO RD FISHERS, IN 46037-7683			
12	5409-5417 MEIJER DR FORT WAYNE, IN 46835-9487			
13	5421 MEIJER DR FORT WAYNE, IN 46835-9487			
14	LAKEWOOD SUBDIVISION DENNISON, IL 62423			
15	LOT 4 LAKEWOOD SUBDIVISION DENNISON, IL 62423			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<b><u>LOC.</u></b>	<b><u>STREET ADDRESS</u></b>	<b><u>CITY</u></b>	<b><u>STATE</u></b>	<b><u>ZIP CODE</u></b>
16	LOT 5 LAKEWOOD SUBDIVISION DENNISON, IL 62423			
17	LOT 8 LAKEWOOD SUBDIVISION DENNISON, IL 62423			
18	120 FIELDS ST MOORESVILLE, IN 46158-1491			
19	330 STATE ST MOUNT VERNON, IN 47620-2207			
20	921 OHIO ST TERRE HAUTE, IN 47807-3738			
21	4780 E MARGARET DR TERRE HAUTE, IN 47803-9303			
22	4795-99 S 7TH ST TERRE HAUTE, IN 47802			
23	4800 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4415			
24	4791 S 7TH ST TERRE HAUTE, IN 47802-4559			
25	4803 S 7TH ST TERRE HAUTE, IN 47802-4565			
26	4900 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4495			
27	4423 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4408			
28	222 CHERRY ST TERRE HAUTE, IN 47807-2932			
29	4790 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4413			
30	3087 WABASH AVE TERRE HAUTE, IN 47803-1515			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
31	3045 WABASH AVE TERRE HAUTE, IN			47803-1515
32	234 IDAHO ST TERRE HAUTE, IN			47802-1930
33	RIGNEY ROAD & SULLIVAN PLACE TERRE HAUTE, IN			47802
34	3009 WABASH AVE TERRE HAUTE, IN			47803-1515
35	3670 S US HIGHWAY 41 TERRE HAUTE, IN			47802-4104
36	6541 STATE ROAD 42 TERRE HAUTE, IN			47803-9220
37	6541 STATE ROAD 42 LOT 2 TERRE HAUTE, IN			47803-9220
38	401 WABASH AVE TERRE HAUTE, IN			47807-3215
39	1834 LAFAYETTE AVE TERRE HAUTE, IN			47804-1417
40	900 OHIO ST TERRE HAUTE, IN			47807-3722
41	3375 S 4TH ST TERRE HAUTE, IN			47802
42	PT SE 1/4 29--33-6 & LOTS 1D & 1F WARSAW, IN			46580
43	NW 1/4 OF NW 1/4 SEC 25/NE 1/4; SEC 26 T13N PARIS, IL			61944
44	S 1/2 OF E 1/3 OF S 1/2 OF SE; 1/4 OF SW 1/4 ALLERTON, IL			61810
45	NE 1/4 OF SW 1/4 SEC 25 T13N; R11W OF 2ND PM PARIS, IL			61944

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
46	SEC 27 TWP 13N RG 11W 7 SEC 26 TWP 13N RGE PARIS, IL 61944			
47	19295 E 400TH RD ALLERTON, IL 61810			
48	135-255 SHERIDAN RD NOBLESVILLE, IN 46060			
49	530 WESTFIELD RD NOBLESVILLE, IN 46060-1320			
50	305-345 SHERIDAN RD NOBLESVILLE, IN 46060-1313			
51	300 SHERIDAN RD NOBLESVILLE, IN 46060-1312			
52	111 LAKEVIEW DR NOBLESVILLE, IN 46060-1308			
53	5-55 E KEMPER RD CINCINNATI, OH 45246			
54	11560 PRINCETON PIKE CINCINNATI, OH 45246-3206			
55	925 WABASH AVE TERRE HAUTE, IN 47807-3236			
56	2760 ALEXANDRIA WAY # 2790 HIGHLAND HEIGHTS, KY 41076-1524			
57	16 S 9TH ST TERRE HAUTE, IN 47807-3710			
58	2710-2740 ALEXANDRIA PIKE NEWPORT, KY 41076			
59	0 KINCAID DR FISHERS, IN 46037			
60	135 COUNTY ROAD 6 E ELKHART, IN 46514-5563			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
61	5399 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4778			
62	13180 MARKET SQUARE DR SOUTH BLDG FISHERS, IN 46038-8389			
63	13204 MARKET SQUARE DR NORTH BLDG FISHERS, IN 46038-8391			
64	SWC OF CHRISTENBURY PKWY & DERITA ROAD CONCORD, NC 28027			
65	PT NW 16-13-11 VERMILION, IL 61955			
66	111 MONUMENT CIR STE 1600 INDIANAPOLIS, IN 46204-0063			
67	13272 MARKET SQUARE DR FISHERS, IN 46038-8385			
68	8845 CHRISTENBURY PKWY CONCORD, NC 28027-0040			
69	3131 E CAMELBACK RD STE 115 PHOENIX, AZ 85016-4597			
70	2039 S HIGHWAY 27 SOMERSET, KY 42501-2927			
71	19828 E 500TH RD PARIS, IL 61944-6237			
72	SW 1/4 OF NE 1/4 OF SEC 26 PARIS, IL 61944			
73	PTE 940.5'SE SE PARIS, IL 61944			
74	500 WABASH AVE TERRE HAUTE, IN 47807-3218			
75	SWC BELL RD & CIVIC CENTER DR SURPRISE, AZ 85374			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
76	8875 CHRISTENBURY PKWY CONCORD, NC 28027-0040			
77	955 N 400 W LAYTON, UT 84041-2383			
78	I-69 & 116TH ST FISHERS, IN 46038			
79	24 N 6TH ST TERRE HAUTE, IN 47807-3124			
80	8885-8905 CHRISTENBURY PKWY CONCORD, NC 28027			
81	4820 BAUER FARM DR LAWRENCE, KS 66049-9038			
82	8915 CHRISTENBURY PKWY CONCORD, NC 28027-0176			
83	NEC OF WREN DRIVE & RAY ROAD GILBERY, AZ 85234			
84	1017 CHARLESTON AVE E LOT 3 MTB MATTOON, IL 61938-6226			
85	1405 S CENTER ST TERRE HAUTE, IN 47802-1121			
86	3169 WILLOW CREEK RD PRESCOTT, AZ 86301-6848			
87	4358 N 2025TH ST 18.03A GEN LIAB PARIS, IL 61944-6241			
88	18400 E ELMENDORF DR SW INTERSECTION OF TOWER RD & ELMENDORF DR DENVER, CO 80249			
89	NE CORNER OF CORTARO RD & I-10 MARANA, AZ 85653			
90	21051 S ELLSWORTH LOOP RD QUEEN CREEK, AZ 85142-9854			



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
91	CHAMBERS RD & E 10TH AVE COMMERCE CITY, CO 80022			
92	7203 NW GRAND PKWY SPRING, TX 77379			
93	9712 E 116TH ST FISHERS, IN 46037-2840			
94	5599 US 41 TERRE HAUTE, IN 47802			
95	NW CORNER OF DERITA & ODELL SCHOOL RD CONCORD, NC 28027			
96	8060 OSCEOLA POLK LINE RD DAVENPORT, FL 33896-9102			
97	SEC LAKE PLEASANT PKWY & HAPPY VALLEY RD PEORIA, AZ 85383			
98	RIDGE RD & ODELL SCHOOL RD CHARLOTTE, NC 28262			
99	1057 E MOREHEAD ST STE 300 CHARLOTTE, NC 28204-2868			
100	3668 S DALLAS ST AURORA, CO 80014-7439			
101	9150 MICHIGAN RD INDIANAPOLIS, IN 46268-3144			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

This Schedule supplements the Declarations.

### **SCHEDULE**

Named Insured:

THOMPSON THRIFT DEVELOPMENT INC  
THOMPSON THRIFT PROPERTIES LLC  
3600 S 41 LLC  
TT COMMERCIAL TWO LLC  
GEIST LANDING OF FISHERS LLC  
TT COMMERCIAL THREE LLC  
4800 S 41 LLC  
COOL CREEK VILLAGE LLC  
WARSAW 15-300N I LLC  
WARSAW 15-300N III LLC  
100 DETTRO DRIVE MATTOON LLC  
TT FORT WAYNE LLC  
4423 S 41 LLC  
TT COMMERCIAL FOUR LLC  
JP COMMERCIAL LLC  
10720 E HWY 36 LLC  
901 WABASH LLC  
TT COMMERCIAL ONE LLC  
111 LAKEVIEW LLC  
900 OHIO LLC  
921 OHIO LLC  
TT CROWN POINT LLC  
4780 E MARGARET AVE LLC  
SPRINGDALE POINTE LLC  
WESTERN PLAZA LLC  
CASSOPOLIS STREET ELKHART LLC  
SIMON ROAD FRANKLIN LLC  
925 WABASH LLC  
ALEXANDRIA PIKE HIGHLAND HEIGHTS LLC  
FISHERS MARKET SQUARE DRIVE LLC  
106TH STREET PARTNERS LLC  
500 WABASH HOUSING LLC  
TT S 41 LLC  
BAUER FARM LAWRENCE KS LLC  
ICEBREAKER DEVELOPMENT LLC  
QUEEN CREEK ARIZONA LLC  
FISHERS MARKET PLACE LOT 4E LLC  
2007 S HWY 27 SOMERSET KY LLC  
HWY 41A HOPKINSVILLE KY LLC  
BELL ROAD SURPRISE AZ LLC  
CHANDLER BLVD CHANDLER AZ LLC  
SPRINGDALE POINTE MTB LLC  
HUNTSVILLE MADISON AL LLC  
SPRINGDALE ESTATES FISHERS IN LLC  
3131 CAMELBACK RD LLC  
WATERMARK AT TIFFANY SPRINGS MO LLC  
WATERMARK AT GILBERT AZ LLC  
LOT 1A ELKHART LLC  
GEIST LANDING II LLC  
WATERMARK AT HUNTSVILLE AL LLC

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

This Schedule supplements the Declarations.

### **SCHEDULE**

Named Insured:

WATERMARK AT BRIARGATE CO LLC  
WATERMARK AT PEORIA AZ LLC  
WATERMARK AT TOWER RD II LLC  
CORTARO COMMERCIAL JV LLC  
CONCORD MILLS MEZZ LLC  
CONCORD MILLS NC LLC  
TTRG FISHERS DISTRICT LLC  
WATERMARK AT FISHERS DISTRICT LLC  
TTRG COMMERCE CITY LLC  
LAKE PLEASANT PEORIA AZ LLC  
116TH STATIONS FISHERS IN LLC  
WATERMARK AT DEV SPRING TX LLC  
WATERMARK AT DAVENPORT FL LLC  
24 N 6TH LLC  
4790 S US HWY 41 LLC  
92ND MICHIGAN INDY LLC  
DAYTON STATION CO LLC  
DERITA CONCORD NC LLC  
INDIAN CREEK RANCH LLC  
MALLARD CREEK CHARLOTTE NC LLC  
PROMENADE AT CHENAL LITTLE ROCK LLC  
PROMENADE AT CHENAL LOT 3 LLC  
TT SALT LAKE CITY UT LLC  
WATERMARK AT CHESTERFIELD VILLAGE MO LLC  
WATERMARK AT MISHAWAKA IN LLC  
WATERMARK AT STUART FL LLC  
WATERMARK RESIDENTIAL  
WILLOW CREEK PRESCOTT AZ LLC

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CANCELLATION OR NONRENEWAL BY US NOTIFICATION TO A DESIGNATED ENTITY**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS PACKAGE POLICY  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
DENTIST'S PACKAGE POLICY  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

### **SCHEDULE**

Name and mailing address of person(s) or organization(s):

BLANK - WHEN REQUIRED BY MULTIPLE ENROLLMENT

Number of days notice (other than nonpayment of premium) \_\_\_\_ to \_\_\_\_.

- A. If we cancel or nonrenew this policy for any statutorily permitted reason other than nonpayment of premium, we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least the number of days shown in the Schedule before the effective date of cancellation or nonrenewal.
- B. If we cancel this policy for nonpayment of premium, we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least 10 days before the effective date of cancellation.
- C. If notice is mailed, proof of mailing to the mailing address shown in the Schedule will be sufficient proof of notice.
- D. In no event will coverage extend beyond the actual expiration, termination or cancellation of the policy.

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY  
CG 20 18 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED -  
MORTGAGEE, ASSIGNEE OR RECEIVER**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

## SCHEDULE

Name Of Person(s) Or Organization(s) WHICH IS REQUIRED IN WRITING CONTRACT	Designation Of Premises

Information required to complete this Schedule, if not shown above, will be shown in the Declarations

- A.** Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you, and shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- C.** With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL COVERED PROPERTY**

This endorsement modifies insurances provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY**

The following is withdrawn from PROPERTY NOT COVERED and added to COVERED PROPERTY:

### **SCHEDULE\***

<b>Print No.</b>	<b>Bldg. No.</b>	<b>Paragraph Reference</b>	<b>Description of Property</b>	<b>Type of Property Coverage (Enter BUILDING or PERSONAL PROPERTY)</b>
<b>BLKT</b>	<b>BLKT</b>	<b>2.1.</b>	<b>PAVED SURFACES</b>	<b>BUILDING</b>

\*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL PROPERTY MORTGAGE  
HOLDER SCHEDULE**

The endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

**COMMERCIAL OUTPUT POLICY - PROPERTY COVERAGE FORM**

**ITEM #      MORTGAGE HOLDER**

**BLANKET WHEN REQUIRED BY WRITTEN CONTRACT**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

Loc	Bldg	Loss Payee Name and Address:	Applicable Clause (Enter B, C, D or E):
BLFT	BLFT		B

BLANKET WHEN REQUIRED BY WRITTEN CONTRACT

- A.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

For the purposes of this endorsement only, the following are added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION B: LOSS CONDITIONS, 4. Loss Payee**, as indicated in the Schedule of this endorsement:

**B. Loss Payable**

For Covered Property in which both you and a Loss Payee shown in the Schedule of this endorsement have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

**C. Lender's Loss Payable**

1. The Loss Payee shown in the Schedule of this endorsement is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instrument(s) as:

- a. Warehouse receipts;
- b. A contract for deed;

- a. Bills of lading;
  - d. Financing statements; or
  - e. Mortgages, deeds of trust, or security agreements.
- 2.** For Covered Property in which both you and a Loss Payee have an insurable interest:
- a. We will pay for covered "loss" to each Loss Payee in their order of precedence, as interests may appear.
  - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
  - c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
    - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
    - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED - TENANTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

### **SCHEDULE**

**Name of Tenant(s):**

**WHEN REQUIRED IN WRITTEN CONTRACT**

**Location:**

- A. SECTION II - WHO IS AN INSURED** is amended to include as an insured the Tenant(s) shown in the Schedule but only with respect to liability arising out of your ownership, operation, maintenance or use of those areas provided for common use of your tenants at the Location described in the Schedule.
- B. The following exclusion is added to Paragraph 2. Exclusions of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY and Paragraph 2. Exclusions of SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY:**

This insurance provided to the additional insured does not apply to 'bodily injury', 'property damage' or 'personal and advertising injury' arising out of negligence or willful misconduct of the additional insured or its 'employees'.

## **TEXAS NOTICE TO POLICYHOLDERS**

The Cincinnati Insurance Companies can provide loss control services to your organization at no additional charge. It is our goal to provide loss control services as a value added service to your insurance investment. If you wish to utilize our services or have questions about the types of services we offer, please contact us at (513) 870-2731.

## POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

Your policy may contain coverage for certain losses caused by terrorism.

### **Premium:**

In accordance with the federal Terrorism Risk Insurance Act, we are required to notify you of the portion of the premium, if any, attributable to the coverage for terrorist acts certified under the Terrorism Risk Insurance Act.

- Refer to the SUMMARY OF PREMIUMS CHARGED or DECLARATIONS PAGE for the portion of your premium that is attributable to coverage for terrorist acts certified under the Act.

### **Federal Participation:**

The Act also requires us to provide disclosure of federal participation in payment of terrorism losses.

- Under your policy, any losses caused by certified acts of terrorism would be partially reimbursed by the United States Government, Department of Treasury, under a formula established by federal law. Under this formula, the federal share equals a percentage, as specified in the Schedule below, of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

- Schedule:**

Federal Share of Terrorism Losses	
Percentage	Calendar Year
85%	2015
84%	2016
83%	2017
82%	2018
81%	2019
80%	2020

### **Cap on Insurer Participation:**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**NOTE: IF YOUR POLICY IS A RENEWAL POLICY, THIS NOTICE IS PROVIDED TO SATISFY THE REQUIREMENTS UNDER THE TERRORISM RISK INSURANCE ACT FOR POLICYHOLDER DISCLOSURE: (1) AT THE TIME OF OUR OFFER TO RENEW THE POLICY AND (2) AT THE TIME THE RENEWAL IS COMPLETED.**

## **TEXAS NOTICE TO POLICYHOLDERS EXCLUSION - ASBESTOS**

This Notice does **not** form a part of your insurance contract. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply. Please read your policy, and the endorsements attached to your policy, carefully.

This notice applies to the asbestos exclusion endorsement included in the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PARTS  
COMMERCIAL UMBRELLA COVERAGE PARTS  
EXCESS LIABILITY COVERAGE PARTS  
FARM LIABILITY  
GARAGE COVERAGE FORM  
INLAND MARINE COVERAGE PARTS**

Your policy contains an exclusion for liability arising out of, attributable to or in any way related to asbestos.

**IMPORTANT INFORMATION TO POLICYHOLDERS**  
**ILLINOIS**

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address or telephone collect:

The Cincinnati Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Casualty Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Indemnity Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

**THE CINCINNATI INSURANCE COMPANY  
THE CINCINNATI CASUALTY COMPANY  
THE CINCINNATI INDEMNITY COMPANY**

**NOTICE TO POLICYHOLDERS**

Please be advised that in your application for insurance you disclosed information to The Cincinnati Insurance Company, The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The information disclosed in the application and all information subsequently collected by any of these companies may be shared among all three.

# **THE CINCINNATI INSURANCE COMPANIES**

THE CINCINNATI INSURANCE COMPANY  
THE CINCINNATI CASUALTY COMPANY

THE CINCINNATI INDEMNITY COMPANY  
THE CINCINNATI LIFE INSURANCE COMPANY

**P.O. BOX 145496  
CINCINNATI, OHIO 45250-5496  
(513) 870-2000**

## **NOTICE TO POLICYHOLDERS**

**Questions regarding your policy or coverage should be directed to:**

**The Cincinnati Insurance Companies  
P.O. Box 145496  
Cincinnati, OH 45250-5496  
(800) 635-7521  
or  
(513) 870-2000**

If you:

- a) Need the assistance of the governmental agency that regulates insurance; or
- b) Have a complaint you have been unable to resolve with your insurer

You may contact the Department of Insurance by mail, telephone or email:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street, Suite 300  
Indianapolis, IN 46204

Consumer Hotline: (800) 622-4461 or (317) 232-2395

Complaints can be filed electronically at [www.in.gov/doi](http://www.in.gov/doi).

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

**CHEMICAL DRIFT LIMITED LIABILITY COVERAGE PART - CLAIMS-MADE  
CINCINNATI CYBER DEFENSE™ COVERAGE PART  
CINCINNATI DATA DEFENDER™ COVERAGE PART  
CINCINNATI NETWORK DEFENDER™ COVERAGE PART  
CLAIMS-MADE CONTRACTORS ERRORS AND OMISSIONS COVERAGE PART  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
CONTRACTORS' LIMITED POLLUTION LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE FORM  
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE FORM  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**A.** Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

**2. a. Cancellation of Policies in Effect for 90 days or Less**

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2)** 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us;
- (3)** 30 days before the effective date of cancellation if we cancel for any other reason.

**b. Cancellation of Policies in Effect for More Than 90 Days**

If this policy has been in effect for more than 90 days, or is a renewal of a policy we issued, we may cancel this policy, only for one or more of the reasons listed below, by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2)** 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us;
- (3)** 45 days before the effective date of cancellation if:
  - (a)** There has been a substantial change in the scale of risk covered by this policy; or

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Includes copyrighted material of ISO Commercial Risk Services, Inc., with its permission.



- (b) Reinsurance of the risk associated with this policy has been cancelled.
- (c) You have failed to comply with reasonable safety recommendations.

**B.** The following is added to the Common Policy Conditions and supersedes any provision to the contrary.

**NONRENEWAL**

1. If we elect not to renew this policy, we will mail or deliver to the first Named Insured

written notice of nonrenewal at least 45 days before:

- a. The expiration date of this policy, if the policy is written for a term of one year or less; or
  - b. The anniversary date of this policy, if the policy is written for a term of more than one year.
2. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **KANSAS CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

**MACHINERY AND EQUIPMENT COVERAGE PART  
COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to the **Standard Property Policy CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** The **CONCEALMENT, MISREPRESENTATION OR FRAUD Condition** is replaced by the following:

### **CONCEALMENT, MISREPRESENTATION OR FRAUD**

We will not pay for any loss or damage under this Coverage Part if you or any other insured in relation to an insurance application, rating,

claim or coverage under this policy knowingly and with intent to defraud:

- 1.** Presents, causes to be presented or prepares with the knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement which such person knows to contain materially false information concerning any material fact; or
- 2.** Conceals information concerning any material fact for the purpose of misleading.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

**All Commercial Lines Coverage Parts, Coverage Forms, Policies and Endorsements subject to the federal Terrorism Risk Insurance Act and any amendments and extensions thereto**

- A.** The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- B. Cap On Losses from Certified Acts of Terrorism**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that ex-

ceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

- C. Application of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability, omission or absence of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part, Coverage Form, Policy or Endorsement such as losses excluded by:

1. Exclusions that address war, warlike action, insurrection, rebellion, revolution, military action, nuclear hazard, nuclear materials, nuclear reaction, radiation, or radioactive contamination;
2. Exclusions that address pollutants, contamination, deterioration, fungi or bacteria; or
3. Any other exclusion,

regardless if the "certified act of terrorism" contributes concurrently or in any sequence to the loss.

- D. Sunset Clause**

If the federal Terrorism Risk Insurance Act expires or is repealed, then this endorsement is null and void for any act of terrorism that takes place after the expiration or repeal of the Act.

## TEXAS IMPORTANT NOTICE

To obtain information or make a complaint:

You may call our toll-free telephone number for information or to make a complaint at:

**1-800-635-7521**

You may also write to us at:

The Cincinnati Insurance Companies	or	The Cincinnati Insurance Companies
6200 South Gilmore Road		P.O. Box 145496
Fairfield, Ohio 45014 - 5141		Cincinnati, Ohio 45250-5496

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance:

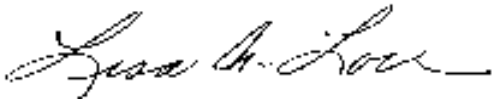
P.O. Box 149104  
Austin, TX 78714-9104  
FAX# (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

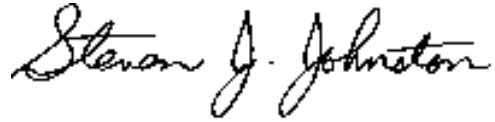
**ATTACH THIS NOTICE TO YOUR POLICY:** This notice is for information only and does not become a part or condition of the attached document.

## SIGNATURE ENDORSEMENT

IN WITNESS WHEREOF, this policy has been signed by our President and Secretary in the City of Fairfield, Ohio, but this policy shall not be binding upon us unless countersigned by an authorized representative of ours. The failure to countersign does not void coverage in Arizona, Virginia and Wisconsin.



Secretary



President

The signature on any form, endorsement, policy, declarations, jacket or application other than the signature of the President or Secretary named above is deleted and replaced by the above signatures.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - RIGHTS OF RECOVERY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART**

The **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US** Condition is replaced by the following:

### **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after loss to impair them.

**KENTUCKY TAXES ENDORSEMENT**Policy Number: EPP 053 36 25Effective Date: 05-01-2019

The following Kentucky taxes (which include a collection fee) have been applied to your policy:

	<u>Annual Premium</u>	<u>Municipal Tax</u>	<u>County Tax</u>
POLICY LEVEL	HIGHLAND HEIGHTS - 00171		
PROPERTY	21	11.50%-2	NONE
CASUALTY	3	11.50%-1	NONE
LOCATION 56	HIGHLAND HEIGHTS - 00171		
PROPERTY	1,149	11.50%-132	NONE
CASUALTY	147	11.50%-17	NONE
LOCATION 58	HIGHLAND HEIGHTS - 00171		
PROPERTY	768	11.50%-88	NONE
CASUALTY	100	11.50%-12	NONE
LOCATION 70	SOMERSET - 00028		
PROPERTY	863	6.90%-60	NONE
CASUALTY	128	6.90%-9	NONE
	<u>Annual Premium</u>	<u>Surcharge %</u>	<u>Surcharge Total</u>
KY STATE SURCHARGE 1.8%	3,179		58

All other terms and conditions remain unchanged.

Agent: ONI RISK PARTNERS, INC. 13-317

TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to Standard Property Policy **CP 00 99**, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

**B.** The following is added to the **Legal Action Against Us** Condition:

The 2 year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

**C.** If this policy covers:

**1.** The following in **a.** and **b.**, then Paragraphs **2.** and **3.** apply:

- a.** Real property used principally for residential purposes up to and including a four family dwelling; or
- b.** Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

**2.** The second paragraph of the **Appraisal** Condition is deleted and replaced by the following:

- a.** Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b.** We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
  - (1)** You demanded the appraisal; and
  - (2)** The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

**3.** The **Concealment, Misrepresentation or Fraud** Condition is replaced by the following:

**CONCEALMENT, MISREPRESENTATION OR FRAUD**

**a.** This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1)** Was made with actual intent to deceive; or
- (2)** Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

**b.** We do not provide coverage under this Coverage Part or Coverage Form to you or any other insured ("insured") who, at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1)** This Coverage Part or Coverage Form;
- (2)** The Covered Property;
- (3)** Your interest in the Covered Property; or
- (4)** A claim under this Coverage Part or Coverage Form.

**c.** Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in



accordance with the terms of the Cancellation Condition.

**D.** For the Commercial Property Coverage Part and the Standard Property Policy, the following exclusion and related provisions are added to Paragraph **B.2**. Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
  - a. The loss arose out of a pattern of criminal domestic violence; and
  - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph **D.2.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no

event will we pay more than the Limit of Insurance.

**E.** The **Intentional Loss Exclusion** in the Causes of Loss Form - Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:

1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").

2. However, this exclusion will not apply to deny payment to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss") if:
  - a. The loss ("loss") arose out of a pattern of criminal domestic violence; and
  - b. The perpetrator of the loss ("loss") is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph **E.2.**, our payment to the "insured" is limited to that "insured's" insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

## **NOTICE TO POLICYHOLDERS - EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY**

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

This notice applies to the following coverage parts:

**BUSINESSOWNERS PACKAGE POLICY  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
FARM LIABILITY COVERAGE FORM  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PERSONAL LIABILITY ENDORSEMENT  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

This Notice provides information concerning the following new endorsements. More than one may apply to your renewal policy being issued by us:

**The following forms apply to Commercial General Liability Coverage Part (CG or GA prefix), Businessowners Package Policy (IB prefix), Farm Liability Coverage Form or Personal Liability Endorsement (FL prefix), or Umbrella or Excess Liability Coverage Parts (US or XS prefix).**

Forms: **GA 3024 05 14, FL 10 12 12 14, IB 320 05 14 or US 3093 05 14** all titled:

### **Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception**

When one of these endorsements is attached to your policy:

- For any liability or damages for Bodily Injury and Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.
- For any liability or damages for Personal and Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

Forms: **GA 3025 05 14, FL 10 13 12 14, IB 321 05 14 or US 3094 05 14** all titled:

### **Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - Limited Bodily Injury Exception Not Included**

When one of these endorsements is attached to your policy:

- For any liability or damages for Bodily Injury and Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage. However, when this endorsement is attached, it will result in a reduction of coverage due to the deletion of an exception with respect to damages because of bodily injury arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.
- For any liability or damages for Personal and Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

Forms **CG 21 08 05 14 Exclusion - Access or Disclosure of Confidential or Personal Information (Coverage B only)**, **IB 322 05 14 Exclusion - Access or Disclosure of Confidential or Personal Information (Personal and Advertising Injury Only)**, and **US 3095 05 14** and **XS 345 05 14** Both titled: **Exclusion - Access or Disclosure of Confidential or Personal Information**

When one of these endorsements is attached to your policy, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage

Forms **GA 237 05 14 Electronic Data Liability Endorsement** and **FL 04 22 12 14 Electronic Data Liability**

With respect to damages arising out of access or disclosure of confidential or personal information, when this endorsement is attached to your policy:

- Under Bodily Injury and Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.
- Under Personal and Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

**The following forms apply to the coverage(s) indicated under each description of the form number and title.**

**GA 3026 05 14 - Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception** (For use with The Owners and Contractors Protective Liability Coverage Part and Products/Completed Operations Coverage Part)

When this endorsement is attached to your policy, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.

**GA 3027 05 14 - Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - Limited Bodily Injury Exception Not Included** (For use with The Owners and Contractors Protective Liability and Products/Completed Operations Liability Coverage Parts)

When this endorsement is attached to your policy, coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.

However, when this endorsement is attached, it will result in a reduction of coverage due to the deletion of an exception with respect to damages because of bodily injury arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

**CG 33 63 - Exclusion - Access, Disclosure or Unauthorized Use of Electronic Data** (For use with The Electronic Data Liability Coverage Part)

With respect to damages arising out of access or disclosure of confidential or personal information, when this endorsement is attached to your policy coverage is excluded for damages arising out of any access to or disclosure of confidential or personal information. This is a reinforcement of coverage.

However, to the extent that damages arising out of theft or unauthorized viewing, copying, use, corruption, manipulation or deletion, of electronic data by any Named Insured, past or present employee, temporary worker or volunteer worker of the Named Insured may extend beyond loss of electronic data arising out of such theft or the other listed items, this revision may be considered a reduction in coverage.

**FL 10 14 12 14 - Exclusion - Electronic Data (Bodily Injury and Property Damage Liability Only) and Access or Disclosure of Confidential or Personal Information (Personal or Advertising Injury Liability Only)** (For use with Farm Liability Coverage Form or Personal Liability Endorsement)

With respect to bodily injury and property damage arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data, these changes are a reinforcement of coverage intent. Coverage for such injury or damage is not intended to be provided under the aforementioned forms.

However, to the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this revision may be considered a reduction in personal injury and advertising injury coverage.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA CHANGES --  
CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

**BOILER AND MACHINERY COVERAGE PART  
BUSINESSOWNERS POLICY  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

The CONCEALMENT, MISREPRESENTATION OR FRAUD Condition is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact or
2. Fraud

committed by an insured at any time and relating to a claim under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL PROPERTY - LEGAL LIABILITY COVERAGE FORM  
COMMERCIAL PROPERTY - MORTGAGEHOLDERS ERRORS AND OMISSIONS  
COVERAGE FORM\*  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM LIABILITY COVERAGE FORM  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

- \* Under the **Mortgageholders Errors And Omissions Coverage Form**, the following condition applies only to Coverage **C** and Coverage **D**.

The following condition is added:

Notice given by or on behalf of the insured to any of our authorized agents in Indiana, with particulars sufficient to identify the insured, shall be considered to be notice to us.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS CHANGES - DUTIES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART**

The following is added to the **Duties** Condition.

We will notify the first Named Insured in writing of:

1. An initial offer to compromise or settle a claim made or "suit" brought against any insured under this coverage. The notice will be given not later than the 10th day after the date on which the offer is made.
2. Any settlement of a claim made or "suit" brought against the insured under this coverage. The notice will be given not later than the 30th day after the date of the settlement.

## **IMPORTANT INFORMATION TO POLICYHOLDERS**

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address or telephone collect:

The Cincinnati Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Casualty Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Indemnity Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Life Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2000

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - POLLUTION**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY

In this Coverage Part or Policy, any exclusion, limitation or other provision relating to pollutants ("pollutants"), or any amendment to or replacement of such exclusions, limitations or other provisions, applies whether or not the irritant or contaminant has any function in your business, operations, premises, site or location.



**THE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**Attached to and forming part of POLICY NUMBER: **EPP 053 36 25**

Named Insured is the same as it appears on the Common Policy Declarations unless otherwise stated here.

Loc. (address)PER STATEMENT OF VALUES ON FILE  
REFER TO IA904

COVERAGE PROVIDED					OPTIONAL COVERAGES Applicable only when an entry is made						
Item	Coverage	Limits	Coin- surance	Covered Cause Of Loss	Business Income Indemnity						
					Inflation Guard (%)	Replace- ment Cost (x)	Replace- ment Cost Ind. Stock (x)	Agreed Value (x)	Monthly Limit (fraction)	Maximum Period (X)	Extended Period (Days)
	BLANKET BUILDING	63,619,341	100%	SPECIAL EQ FLOOD		X		X			
		SEE FA104									
	BLANKET BUSINESS PERSONAL PROPERTY	1,701,000 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD			X	X			
	BLANKET BUSINESS INCOME W/EXTRA EXPENSE (c)	13,343,639 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD				X			180

DEDUCTIBLE: \$500.00 unless otherwise stated \$ **SEE FA475****FLOOD DEDUCTIBLE: 50,000**

MORTGAGE HOLDER

Item Name and Address

FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

CP1515 06/95 BUSINESS INCOME REPORT/WORK SHEET  
 FM101 05/16 BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)  
 IP410IN 07/01 IMPORTANT NOTICE TO POLICYHOLDERS  
 FA104S 05/15 FLOOD COVERAGE SUPPLEMENTAL SCHEDULE  
 FA104 05/16 FLOOD COVERAGE ENDORSEMENT  
 FA241 05/16 EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)  
 FA241S 05/15 EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUBLIMIT FORM) SUPPLEMENTAL SCHEDULE  
 FA4028IL 07/17 ILLINOIS CHANGES  
 FA4053 04/06 CINCIPLUS™ COMMERCIAL PROPERTY EXPANDED COVERAGE (XC™) PLUS ENDORSEMENT SUMMARY OF COVERAGE LIMITS  
 FA4078OH 05/17 OHIO CHANGES - COMMERCIAL PROPERTY  
 FA445AZ 05/16 ARIZONA CHANGES  
 FA450 05/16 COMMERCIAL PROPERTY CONDITIONS  
 FA465 04/04 ORDINARY PAYROLL LIMITATION OR EXCLUSION  
 FA475 04/04 MULTIPLE DEDUCTIBLE FORM  
 FA490NC 05/16 NORTH CAROLINA CHANGES  
 FA498KS 10/12 KANSAS CHANGES  
 FA499IN 04/04 INDIANA CHANGES - RIGHTS OF RECOVERY

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FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

FA250	05/16	CINCIPLUS® COMMERCIAL PROPERTY XC+® (EXPANDED COVERAGE PLUS) ENDORSEMENT
FA244	05/11	EQUIPMENT BREAKDOWN COVERAGE (EXCLUDING PRODUCTION MACHINERY)
FA213	05/16	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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# BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)

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# BUILDING AND PERSONAL PROPERTY COVERAGE FORM

## (INCLUDING SPECIAL CAUSES OF LOSS)

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION G. DEFINITIONS.**

### SECTION A. COVERAGE

We will pay for direct "loss" to Covered Property at the "premises" caused by or resulting from any Covered Cause of Loss.

#### 1. Covered Property

Covered Property, as used in this Coverage Part, means the following types of property for which a Limit of Insurance is shown in the Declarations:

##### a. Building

Building, means the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
  - (a) Machinery and equipment;
  - (b) Building glass, including any lettering and ornamentation;
  - (c) Signs attached to a building or structure that is Covered Property;
  - (d) Awnings and canopies;
- (4) Personal property owned by you that is used to maintain or service a covered building or its "premises", including:
  - (a) Fire extinguishing equipment;
  - (b) Outdoor furniture;
  - (c) Floor coverings; and
  - (d) Appliances used for refrigerating, ventilating, cooking, dish-washing or laundering;
- (5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to a covered building;

(b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the "premises", used for making additions, alterations or repairs to a covered building.

#### b. Outdoor Signs

Your outdoor signs permanently installed and not attached to a covered building, and located within 1,000 feet of the "premises".

#### c. Outdoor Fences

Your outdoor fences.

#### d. Business Personal Property

Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater. Your Business Personal Property consists of the following unless otherwise specified in the Declarations or on the **BUSINESS PERSONAL PROPERTY - SEPARATION OF COVERAGE ENDORSEMENT.**

- (1) Furniture;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) The cost of labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) Made a part of the building or structure you occupy but do not own; and
  - (b) You acquired or made at your expense but cannot legally remove;

(7) Leased personal property used in your business for which you have a contractual responsibility to insure. Such leased property is not considered personal property of others in your care, custody or control;

(8) Personal Property of Others that is in your care, custody or control or for which you are legally liable.

(a) This does not include personal effects owned by you, your officers, your partners, or if you are a limited liability company, your members or your managers, or your employees (including leased and temporary workers), except as provided in **5. Coverage Extensions, I. Personal Effects**;

(b) This does not include property of others for which you are legally liable as:

- 1) A carrier for hire; or
- 2) An arranger of transportation, including car loaders, consolidators, brokers, freight forwarders, or shipping associations; and

(9) Sales samples.

## 2. **Property Not Covered**

Covered Property does not include:

### a. **Accounts, Deeds, Money or Securities**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, Accounts, bills, currency, deeds, food stamps or other evidences of debt, "money", notes or "securities";

### b. **Animals**

Animals, unless

- (1) Owned by others and boarded by you; or
- (2) Owned by you and covered as "stock" while inside of buildings;

and then only as provided in **3. Covered Causes of Loss, c. Limitations**.

### c. **Automobiles**

Automobiles held for sale;

### d. **Contraband**

Contraband, or property in the course of illegal transportation or trade;

### e. **Electronic Data**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, "Electronic data". This Paragraph **e.** does not apply to your "stock" of prepackaged software or to "electronic data" which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

### f. **Excavations, Grading & Backfilling**

The cost of excavations, grading, backfilling or filling;

### g. **Foundations**

Foundations of buildings, structures, machinery or boilers, if their foundations are below:

- (1) The lowest basement floor; or
- (2) The surface of the ground, if there is no basement.

### h. **Land, Water or Growing Crops**

Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetative roof);

### i. **Paved Surfaces**

Bridges, roadways, walks, patios or other paved surfaces;

### j. **Property While Airborne or Waterborne**

Personal property while airborne or waterborne;

### k. **Pilings or Piers**

Pilings, piers, bulkheads, wharves or docks;

### l. **Property More Specifically Insured**

Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except as provided in **G. Other Insurance** of the **COMMERCIAL PROPERTY CONDITIONS**;

### m. **Retaining Walls**

Retaining walls that are not part of any building described in the Declarations;

### n. **Underground Pipes, Flues or Drains**

Underground pipes, flues or drains;



**o. Valuable Papers & Records and Cost to Research**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the cost to research, replace or restore the information on "valuable papers and records", including those which exist as "electronic data".

This does not apply to "valuable papers and records" held for sale by you.

**p. Vehicles or Self-Propelled Machines**

Vehicles or self-propelled machines (including aircraft or watercraft) that:

- (1) Are licensed for use on public roads; or
- (2) Are operated principally away from the "premises".

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (2) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (3) Rowboats or canoes out of water and located at the "premises"; or
- (4) Trailers, but only as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, o. Trailers (Nonowned Detached)**.

**q. Property While Outside of Buildings**

The following property while outside of buildings (except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**):

- (1) Grain, hay, straw or other crops;
- (2) Signs, except:
  - (a) Signs attached to a covered building or structure;
  - (b) Signs for which a Limit of Insurance is shown in the Declarations.
- (3) Outdoor fences, except outdoor fences for which a Limit of Insurance is shown in the Declarations;
- (4) Radio antennas, television antennas or satellite dishes; including their lead-in wiring, masts, and towers; and

- (5) Trees, shrubs or plants (other than trees, shrubs or plants that are "stock" or part of a vegetative roof).

**3. Covered Causes of Loss**

**a. Covered Causes of Loss**

Covered Causes of Loss means direct "loss" unless the "loss" is excluded or limited in this Coverage Part.

**b. Exclusions**

- (1) We will not pay for "loss" caused directly or indirectly by any of the following, unless otherwise provided. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**(a) Ordinance or Law**

Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the enforcement of or compliance with any ordinance or law:

- 1) Regulating the construction, use or repair of any building or structure; or
- 2) Requiring the tearing down of any building or structure, including the cost of removing its debris.

This exclusion applies whether "loss" results from:

- 1) An ordinance or law that is enforced even if the building or structure has not been damaged; or
- 2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of any building or structure, or removal of its debris, following a direct "loss" to that building or structure.

**(b) Earth Movement**

- 1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- 2) Landslide, including any earth sinking, rising or shifting related to such event;

- 3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- 4) Earth sinking (other than "sinkhole collapse"), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **(b)1)** through **4)** above, results in fire or explosion, we will pay for the "loss" caused by that fire or explosion.

- 5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or volcanic action, we will pay for the "loss" caused by that fire, building glass breakage or volcanic action.

Volcanic action means direct "loss" resulting from the eruption of a volcano when the "loss" is caused by:

- a) Airborne volcanic blast or airborne shock waves;
- b) Ash, dust or particulate matter; or
- c) Lava flow.

With respect to coverage for Volcanic Action, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct "loss" to the described property.

This Earth Movement exclusion applies regardless of whether any of the above, in paragraphs **1)** through **5)**, is caused by an

act of nature or is otherwise caused.

#### **(c) Governmental Action**

Seizure or destruction of property by order of governmental authority. However, we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

#### **(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

#### **(e) Utility Services**

- 1) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, q. Utility Services**, the failure of power, communication, water or other utility services supplied to the "premises", however caused, if the failure:

- a) Originates away from the "premises"; or
- b) Originates at the "premises", but only if such failure involves equipment used to supply the utility service to the "premises" from a source away from the "premises".

Failure of any utility service includes lack of sufficient capacity and reduction in supply. "Loss" caused by a surge of power is also excluded if the surge would not have occurred but for an event causing the failure of power.

However, if the failure or surge of power, or the failure of communication, water, wastewater removal or other utility service results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss.

Communication services include but are not limited to



service relating to Internet access or access to any electronic, cellular or satellite network.

**(f) War and Military Action**

- 1) War, including undeclared or civil war;
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**(g) Water**

- 1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - b) Waves, tidal waters, tidal waves (including tsunami); or
  - c) Water from rivers, ponds, lakes, streams, or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary;

and all whether driven by wind or not, including storm surge.
- 2) Mudslides or mudflows, which are caused by flooding as defined above in Paragraph (g)1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current;

- 3) Water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; or
- 4) Water under the ground surface pressing on, or flowing or seeping through:
  - a) Foundations, walls, floors or paved surfaces;
  - b) Basements, whether paved or not; or
  - c) Doors, windows or other openings.
- 5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (g)1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

This exclusion applies regardless of whether any of the above in Paragraphs (g)1) through (g)5) is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

However, if any of the above, as described in Paragraphs (g)1) through (g)5), results in fire, explosion or sprinkler leakage, we will pay for that portion of "loss" caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

**(h) "Fungi", Wet Rot, Dry Rot, and Bacteria**

- 1) Presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria. But if "fungi", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

2) This exclusion does not apply:

- a) When "fungi", wet or dry rot or bacteria results from fire or lightning; or
- b) To the extent that coverage is provided in **SECTION A. COVERAGE, 5. Coverage Extensions, g. "Fungi", Wet Rot, Dry Rot and Bacteria - Limited Coverage** with respect to "loss" from a cause of loss other than fire or lightning.

Exclusions **b.(1)(a)** through **b.(1)(h)** apply whether or not the "loss" event results in widespread damage or affects a substantial area.

(2) We will not pay for "loss" caused by or resulting from any of the following:

**(a) Electrical Current**

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- 1) Electrical or electronic wire, device, appliance, system or network; or
- 2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- 1) Electrical current, including arcing;
- 2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- 3) Pulse of electromagnetic energy; or
- 4) Electromagnetic waves or microwaves.

However, if fire results, we will pay for "loss" caused by that fire.

**(b) Delay or Loss of Use**

Delay, loss of use or loss of market.

**(c) Smoke, Vapor, Gas**

Smoke, vapor or gas from agricultural smudging or industrial operations.

**(d) Miscellaneous Causes of Loss**

- 1) Wear and tear;
- 2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- 3) Smog;
- 4) Settling, cracking, shrinking or expansion;
- 5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- 6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in elevator collision, we will pay for that portion of "loss" caused by that elevator collision; or
- 7) The following causes of loss to personal property:
  - a) Marring or scratching;
  - b) Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, a. Change in Temperature or Humidity** and **5. Coverage Extensions, q. Utility Services**;
    - i) Dampness or dryness of atmosphere; and
    - ii) Changes in or extremes of temperature.

However, if an excluded cause of loss listed in **(2)(d)1)** through **7)** results in a "specified cause of "loss" or building glass breakage, we will pay for that portion of "loss" caused by that "specified cause of loss" or building glass breakage.

**(e) Explosion of Steam Apparatus**

Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for that portion of "loss" caused by that fire or combustion explosion. We will also pay for "loss" caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**(f) Water Seepage**

Continuous or repeated seepage or leakage of water or the presence or condensation of humidity, moisture, or vapor that occurs over a period of 14 days or more.

**(g) Freezing of Plumbing**

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protection systems) caused by or resulting from freezing, unless:

- 1) You did your best to maintain heat in the building or structure; or
- 2) You drained the equipment and shut off the supply if the heat was not maintained.

**(h) Dishonest or Criminal Acts**

Dishonest or criminal acts (including theft) by you, any of your partners, members (if a limited liability company), officers, managers, employees (including leased workers or temporary employees) directors, trustees, or authorized representatives; whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during the hours of operation.

This **Dishonest or Criminal Acts** exclusion does not apply to acts of destruction by your employees (including leased workers or temporary employees) or by authorized representatives; except theft by employees (including leased workers or temporary employees) is not covered.

**(i) Voluntary Parting Under False Pretense**

Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

**(j) Exposure to Weather**

Rain, snow, ice or sleet to personal property in the open.

**(k) Collapse**

Collapse, including any of the following conditions of property or any part of the property:

- 1) An abrupt falling down or caving in;
- 2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- 3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to Paragraph **(k)1)** or **2)** above.

But if collapse results in a Covered Cause of Loss at the "premises", we will pay for "loss" caused by that Covered Cause of Loss.

This exclusion **Collapse** does not apply:

- 1) To the extent that coverage is provided under the **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse**; or
- 2) To collapse caused by one or more of the following:

- a) The "specified causes of loss";
- b) Breakage of building glass;
- c) Weight of rain that collects on a roof; or
- d) Weight of people or personal property.

**(l) Pollutants**

Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

This exclusion does not apply to "loss" to glass caused by chemicals applied to the glass.

**m) Loss or Damage to Product**

We will not pay for "loss" to Covered Property consisting of merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for "loss" caused by that Covered Cause of Loss.

**(n) Neglect**

Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of "loss".

- (3)** We will not pay for "loss" caused by or resulting from any of the following in Paragraphs **(3)(a)** through **(3)(c)**. However, if an excluded cause of loss that is listed in Paragraphs **(3)(a)** through **(3)(c)** results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss:

**(a) Weather Conditions**

Weather conditions, but this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a)** through **(1)(h)** to produce the "loss".

**(b) Acts or Decisions**

Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

**(c) Defects, Errors, and Omissions**

- 1)** An act, error, or omission (negligent or not) relating to:

- a) Land use;
- b) Design, specifications, construction, workmanship;
- c) Planning, zoning, development, surveying, siting, grading, compaction; or
- d) Maintenance, installation, renovation, repair, or remodeling

of part or all of any property on or off the "premises";

- 2)** A defect, weakness, inadequacy, fault, or unsoundness in materials used in construction or repair of part or all of any property on or off the "premises"; or

- 3)** The cost to make good any error in design.

**(4) Special Exclusions**

The Special Exclusions apply only to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**; and if attached to this policy, the following coverage forms: **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, and EXTRA EXPENSE COVERAGE FORM.**

We will not pay for:

- (a)** Any "loss" caused by or resulting from:

- 1) Damage or destruction of "finished stock"; or
- 2) The time required to reproduce "finished stock".

This Exclusion **(4)(a)** does not apply to Extra Expense.

- (b)** Any "loss" caused by or resulting from damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

- (c)** Any increase of "loss" caused by or resulting from:

- 1) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
- 2) Suspension, lapse or cancellation of any license, lease or contract. However, if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such "loss" that affects your "Business Income" during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period of Indemnity Optional Coverage or any variation of these.

- (d)** Any Extra Expense caused by or resulting from suspension, lapse

or cancellation of any license, lease or contract beyond the "period of restoration".

- (e)** Any other indirect "loss".

**c. Limitations**

The following limitations apply to all policy forms and endorsements shown on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**, unless otherwise stated:

**(1) Limitations - Various Types of Property**

We will not pay for "loss" to property as described and limited in this section. In addition, we will not pay for any "loss" that is a consequence of "loss" as described and limited in this section.

**(a) Steam Apparatus**

Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for "loss" to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**(b) Hot Water Boilers**

Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

**(c) Building Interiors**

The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

- 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
- 2) The "loss" is caused by or results from thawing of



snow, sleet or ice on the building or structure.

**(d) Theft of Building Materials**

Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- 1) Building materials and supplies held for sale by you; or
- 2) "Business Income" coverage or Extra Expense coverage.

**(e) Missing Property**

Property that is missing, where the only evidence of the "loss" is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

**(f) Transferred Property**

Property that has been transferred to a person or to a place outside the "premises" on the basis of unauthorized instructions.

**(g) Vegetative Roofs**

Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

- 1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
- 2) Changes in or extremes of temperature;
- 3) Disease;
- 4) Frost or hail; or
- 5) Rain, snow, ice or sleet.

**(2) Limitations - Various Property for Specified Causes**

We will not pay for "loss" to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

- (a)** Animals, and then only if they are killed or their destruction is deemed necessary.

- (b)** Contractors equipment, machinery and tools owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

- 1) If the property is located on or within 1,000 feet of the "premises"; or
- 2) To Business Income coverage or to Extra Expense coverage.

**(3) Limitation - Personal Property Theft**

This Limitation does not apply to "Business Income" coverage or to Extra Expense coverage. For each category described in Paragraph **c.(3)(a)** through **(3)(d)** below, the most we will pay for "loss" in any one occurrence of theft to all property in that category, regardless of the types or number of articles for that category that are lost or damaged in that occurrence, are the following special limits:

- (a)** \$2,500 for Furs, fur garments and garments trimmed with fur.
- (b)** \$2,500 for Jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limitation does not apply to jewelry and watches worth \$100 or less per item.
- (c)** \$2,500 for Patterns, dies, molds and forms.
- (d)** \$250 for Stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are not additional Limits of Insurance.

**(4) Limitation - System or Appliance Defects**

- (a)** We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes; and
- (b)** We will not pay to replace the substance that escapes as described in Paragraph **c.(4)(a)** above.

But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage results in discharge of any substance from an automatic fire protection system, or is directly caused by freezing.

However, this Limitation **c.(4)(a)** does not apply to "Business Income" Coverage or to Extra Expense Coverage.

#### 4. **Additional Coverages**

Unless stated otherwise, **SECTION C. DEDUCTIBLE** does not apply to Paragraph 4. **Additional Coverages**.

Unless stated otherwise, these Paragraph 4. **Additional Coverages** apply on a per location basis.

##### **a. Change in Temperature or Humidity**

We will pay for direct "loss" to your covered Business Personal Property caused by a change in temperature or humidity or contamination by refrigerant resulting from damage by a Covered Cause of Loss to equipment used for refrigerating, cooling, humidifying, dehumidifying, air conditioning, heating, generating or converting power (including their connections and supply or transmission lines and pipes) when located on the "premises".

This Coverage is included within the Limits of Insurance shown in the Declarations.

##### **b. Debris Removal**

(1) Subject to Paragraphs **b.(2), (3)** and **(4)** of this Additional Coverage, we will pay your expense to remove debris of Covered Property and other debris that is on the "premises", when such debris is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct "loss".

(2) Debris Removal does not apply to costs to:

- (a) Extract "pollutants" from land or water;
- (b) Remove, restore or replace polluted land or water;
- (c) Remove debris of property of yours that is not insured under this Coverage Part, or property in your possession that is not Covered Property;

(d) Remove debris of property owned by or leased to the landlord of the building where your "premises" are located, unless you have a contractual responsibility to insure such property and it is insured under this Coverage Part;

(e) Remove any property that is Property Not Covered, including property addressed under **5. Coverage Extensions, k. Outdoor Property**.

(f) Remove property of others of a type that would not be Covered Property under this Coverage Part;

(g) Remove deposits of mud or earth from the grounds of the "premises".

(3) Subject to the exceptions in Paragraph **b.(4)** below, the following provisions apply:

(a) The most we will pay for the total of direct "loss" plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained "loss".

(b) Subject to Paragraph **b.(3)(a)**, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained "loss".

(4) We will pay up to an additional \$10,000 for debris removal expense for each "premises", in any one occurrence of direct "loss" to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct "loss" exceeds the Limit of Insurance on the Covered Property that has sustained "loss".

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained "loss".

Therefore, if Paragraph **b.(4)(a)** and/or **(4)(b)** apply, our total payment for direct

"loss" and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained "loss", plus \$10,000.

### (5) Examples

The following examples assume that there is no coinsurance penalty.

#### Example #1

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$50,000
Amount of "Loss" Payable (\$50,000 - \$500)	\$49,500
Debris Removal Expense	\$10,000
Debris Removal Expense Payable (\$10,000 is 20% of \$50,000)	\$10,000

The debris removal expense is less than 25% of the sum of the "loss" payable plus the deductible. The sum of the "loss" payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

#### Example #2

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$80,000
Amount of "Loss" Payable (\$80,000 - \$500)	\$79,500
Debris Removal Expense	\$30,000
Debris Removal Expense Payable	
Basic Amount	\$10,500
Additional Amount	\$10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500)  $\times$  .25 = \$20,000; capped at \$10,500. The cap applies because the sum of the "loss" payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the "loss" payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the "loss" payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal ex-

pense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

### c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 in any one occurrence for your liability, which is determined prior to the direct "loss", for fire department service charges:

- (1) Assumed by contract or agreement; or
- (2) Required by local ordinance.

Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

### d. Fire Protection Equipment Recharge

- (1) We will pay for the expenses you incur to recharge your automatic fire suppression system or portable fire extinguishers when the equipment is discharged:
  - (a) To combat a covered fire to which this insurance applies;
  - (b) As a result of another covered Cause of Loss other than fire; or
  - (c) As a result of an accidental discharge.
- (2) We will not pay your expenses to recharge fire protection equipment as a result of a discharge during testing or installation.
- (3) If it is less expensive to do so, we will pay your costs to replace your automatic fire suppression system or portable fire extinguishers rather than recharge that equipment.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

### e. Inventory or Appraisal

- (1) We will pay the necessary expenses you incur to prepare claim information as required by this Coverage Part. Expenses must result from:
  - (a) Taking inventories;
  - (b) Making appraisals; and



- (c) Preparing a statement of loss and other supporting exhibits.

(2) We will not pay for any expenses:

- (a) Incurred to prove that "loss" is covered;
- (b) Incurred under **SECTION D. LOSS CONDITIONS, 2. Appraisal**;
- (c) Incurred for examinations under oath;
- (d) Billed by and payable to independent or public adjusters; or
- (e) To prepare claims not covered by this Coverage Part.

The most we will pay for any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the shown in the Declarations.

**f. Key and Lock Expense**

- (1) If a key or master key is lost, stolen, or damaged, we will pay for:
  - (a) The actual expense of the new keys; and
  - (b) The adjustment of locks to accept new keys; or
  - (c) If required, new locks, including the expense of their installation;
 but only for locks at buildings or structures covered by this Coverage Part.
- (2) This Coverage does not apply to keys that were given to former employees.

The most we will pay in any one occurrence under this Additional Coverage is Limit of Insurance \$1,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

**g. Ordinance or Law**

- (1) If a covered building or structure sustains direct "loss" from a Covered Cause of Loss, resulting in the enforcement of or compliance with an ordinance or law that is in force at the time of "loss" and regulates the demolition, construction or repair of buildings or structures, or establishes zoning or land use requirements at the "premises", then subject to **SECTION D, LOSS CONDITIONS, 4. Loss Payment**, we will pay:

**(a) Loss of Use of Undamaged Parts of Buildings**

The costs you incur to rebuild at the same "premises" any undamaged portion of your building or structure caused by enforcement of or compliance with an ordinance or law requiring demolition of undamaged parts of the same building or structure. We will only pay the costs to satisfy the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

**(b) Demolition Costs**

The costs you incur to demolish and clear the site of undamaged parts of the same building or structure as a result of Paragraph **g.(1)(a)** above.

**(c) Increased Costs of Construction**

- 1) For buildings or structures to which **SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies, the increased costs to comply with the minimum standards of an ordinance or law to:
  - a) Repair or reconstruct damaged portions of that building or structure; and
  - b) Reconstruct or remodel undamaged portions of that building or structure whether or not demolition is required;

However, this increased cost of construction applies only if the building or structure is repaired, reconstructed or remodeled and is intended for occupancy similar to the building or structure it replaces, unless such occupancy is not permitted by zoning or land use ordinance or law.

- 2) For this Paragraph **g.(1)(c)** only, the increased costs to repair or reconstruct the following:

- a) The cost of excavations, grading, backfilling and filling;
- b) Foundation of the building;
- c) Pilings;
- d) Underground pipes, flues and drains.

The items listed in Paragraphs **g.2a)** through **g.2d)** above are deleted from **SECTION A. COVERAGE, 2. Property Not Covered;**

(2) We will not pay for:

- (a) Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria; or
  - (b) The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.
- (3) We will not pay for "loss" due to any ordinance or law that:
- (a) You were required to comply with before the "loss", even if the building or structure was undamaged; and
  - (b) With which you failed to comply.
- (4) The terms of this Additional Coverage apply separately to each building or structure covered by this Coverage Part.

The most we will pay under this Additional Coverage is \$10,000 per building. This is in addition to the Limit of Insurance shown in the Declarations for the building suffering "loss".

#### **h. Pollutant Clean Up and Removal**

We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage,

migration, release, escape or emission of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each "premises" is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term". This Coverage is in addition to the Limit of Insurance shown in the Declarations.

#### **i. Preservation of Property**

If it is necessary to move Covered Property from the "premises" to preserve it from imminent "loss" by a Covered Cause of Loss, we will pay for any direct "loss" to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the "loss" occurs within 60 days after the property is first moved.

This Coverage is included within Limit of Insurance shown in the Declarations for such Covered Property.

#### **j. Rewards**

We will pay to provide a reward for information that leads to a conviction for arson, theft, vandalism, or burglary. The conviction must involve a covered "loss" caused by arson, theft, vandalism, or burglary.

The most we will pay for "loss" in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

### **5. Coverage Extensions**

Unless amended within a particular Coverage Extension, each Extension applies to property located in or on the building described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the "premises".

The limits applicable to the Coverage Extensions are in addition to the Limit of Insurance shown in the Property Declarations. Limits of Insurance specified in these Extensions apply per location unless stated otherwise.

**SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**, does not apply to these Coverage Extensions.

**a. Accounts Receivable**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

(1) When you sustain direct "loss" to your accounts receivable records caused by a Covered Cause of Loss, we will pay:

- (a) All amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (c) Collection expenses in excess of your normal collection expenses that are made necessary by the "loss"; and
- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

(2) Coverage does not apply to:

- (a) Records of accounts receivable in storage away from the "premises"; or
- (b) Contraband, or property in the course of illegal transportation or trade.

(3) We will extend coverage to include:

**(a) Removal**

If you give us written notice within 30 days of removal of your records of accounts receivable because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limit of Insurance applicable to this Coverage Extension.

**(b) Away From Your Premises**

The most we will pay in any one occurrence is \$5,000, regardless of the number of locations, for "loss" caused by a Covered Cause of Loss to Accounts Receivable while they are away from your "premises".

This Away From Premises Limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

(4) **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (a) **Exclusion (1)(c) Governmental Action;**
- (b) **Exclusion (1)(d) Nuclear Hazard;**
- (c) **Exclusion (1)(f) War and Military Action.**

(5) In addition to Paragraph **a.(4)** of this Coverage Extension, we will not pay for "loss" resulting from any of the following:

**(a) Dishonest or criminal acts by:**

- 1) You, your partners, employees, directors, trustees or authorized representatives;
- 2) A manager or a member if you are a limited liability company;
- 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
- 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **a.(5)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **a.(5)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

- (b) Alteration, falsification, concealment or destruction of records of

accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- (c) Bookkeeping, accounting or billing errors or omissions.
- (d) Electrical or magnetic injury, disturbance or erasure of "electronic data" that is caused by or results from:
  - 1) Programming errors or faulty machine instructions;
  - 2) Faulty installation or maintenance of data processing equipment or component parts;
  - 3) An occurrence that took place more than 100 feet from your "premises"; or
  - 4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

But we will pay for direct "loss" caused by lightning.

- (e) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- (f) A "loss" that requires any audit of records or any inventory computation to prove its factual existence.

**(6) Determination of Receivables:**

- (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of direct "loss", the following method will be used:
  - 1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the direct "loss" occurs; and
  - 2) Adjust that total for any normal fluctuations in the amount of accounts receiv-

able for the month in which the direct "loss" occurred or for any demonstrated variance from the average for that month.

- (b) The following will be deducted from the total amount of accounts receivable, however that amount is established:
  - 1) The amount of the accounts for which there is no direct "loss"; and
  - 2) The amount of the accounts that you are able to re-establish or collect; and
  - 3) An amount to allow for probable bad debts that you are normally unable to collect; and
  - 4) All unearned interest and service charges.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

**b. Business Income and Extra Expense**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

**(1) Business Income**

We will pay for the actual loss of "Business Income" and "Rental Value" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at a "premises" caused by or resulting from any Covered Cause of Loss. With respect to "loss" to personal property in the open or personal property in a vehicle or portable storage unit, the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

With respect to the requirements of the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purpose of this Coverage Extension only, your "premises" is the portion of the building that you rent, lease or occupy, including:

- (a) Any area within the building or on the site at which the "premises" are located if that area ser-



vices or is used to gain access to the "premises"; and

- (b) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

## (2) Extra Expense

- (a) We will pay Extra Expense you sustain during the "period of restoration". Extra Expense means necessary expenses you sustain (as described in Paragraphs **(2)(b)**, **(c)** and **(d)**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- (b) If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **(2)(c)**) to:
  - 1) Avoid or minimize the "suspension" of business and to continue "operations" either:
    - a) At the "premises"; or
    - b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
  - 2) Minimize the "suspension" of business if you cannot continue "operations".
- (c) We will also pay expenses to:
  - 1) Repair or replace property; or
  - 2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal

"operations", the amount we will pay under this Coverage will be reduced by the salvage value of that property.

- (d) Extra Expense does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

## (3) Civil Authority

When a Covered Cause of Loss causes damage to property other than Covered Property at a "premises", we will pay for the actual loss of "Business Income" and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

This Civil Authority coverage for "Business Income" will begin immediately after the time of that action and will apply for a period of up to 30 days from the date of that action.

This Civil Authority coverage for Extra Expense will begin immediately after the time of that action and will end:

- 1) 30 consecutive days after the time of that action; or
- 2) When your "Business Income" coverage ends;

whichever is later.

## (4) Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss to:

- (a) New buildings or structures, whether complete or under construction;
- (b) Alterations or additions to existing buildings or structures; and
- (c) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
  - 1) Used in the construction, alterations or additions; or
  - 2) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" Coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

#### **(5) Newly Purchased or Leased Locations**

We will pay the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" to Covered Property at any location you purchase or lease caused by or resulting from a Covered Cause of Loss. This coverage for the Newly Purchased or Leased Locations will end when any of the following first occurs:

- (a) This policy expires;
- (b) You report values to us;
- (c) 90 days pass from the date you acquire or begin to construct the Covered Property.

#### **(6) Extended Business Income**

- (a) For "Business Income" Other Than "Rental Value", if the necessary "suspension" of your "operations" produces a "Business Income" or Extra Expense "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur during the period that:
  - 1) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
  - 2) Ends on the earlier of:

- a) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(a)1)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained or Extra Expense incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

- (b) For "Rental Value", if the necessary "suspension" of your "operations" produces a "Rental Value" "loss" payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you incur during the period that:

- 1) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- 2) Ends on the earlier of:

- a) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(b)1)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of

Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

**(7) Interruption of Computer Operations**

- (a) Subject to all provisions of this Coverage Extension, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data.**
- (b) Paragraph **b.(7)(a)** does not apply to "loss" sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **b.(7)(c)** has not been exhausted.
- (c) The most we will pay under Paragraph **b.(7)** of this Coverage Extension is \$2,500 for all "loss" sustained and expense incurred in the "coverage term", regardless of the number of interruptions or the number of "premises" or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not carry over to the next "coverage term". With respect to an interruption that begins in a "coverage term" and continues or results in additional "loss" or expense in a subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

This \$2,500 coverage for Interruption of Computer Operations does not increase the Limit of Insurance provided in this Coverage Extension.

The most we will pay for "loss" in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$25,000.

**c. Collapse**

The coverage provided under this Coverage Extension applies only to an abrupt collapse as described and limited in Paragraphs **c.(1)** through **c.(7)** below.

- (1) For the purpose of this Coverage Extension only, abrupt collapse means an abrupt falling down or caving in of a building or structure or any part of a building or structure with the result that the building or structure or part of the building or structure cannot be occupied for its intended purpose.
- (2) We will pay for direct "loss" to Covered Property, caused by abrupt collapse of a building or structure or any part of a building or structure insured under this Coverage Part, or that contains Covered property insured under this Coverage Part, if such collapse is caused by one or more of the following:
  - (a) Building or structure decay that is hidden from view, unless the presence of such decay is known or should reasonably have been known to an insured prior to collapse;
  - (b) Insect or vermin damage that is hidden from view, unless the presence of such damage is known or should reasonably have been known to an insured prior to collapse;
  - (c) Use of defective material or methods in construction, remodeling, or renovation if the abrupt collapse occurs during the course of the construction, remodeling, or renovation.
  - (d) Use of defective materials or methods in construction, remodeling, or renovation if the abrupt collapse occurs after construction, remodeling, or renovation is complete but only if the collapse is caused in part by:
    - 1) A cause of loss listed in Paragraph **c.(2)(a)** or **c.(2)(b)** of this Coverage Extension;
    - 2) One or more of the "specified causes of loss";

- 3) Breakage of building glass;
  - 4) Weight of people or personal property; or
  - 5) Weight of rain that collects on a roof.
- (3) This Coverage Extension does not apply to:
- (a) A building or structure or any part of a building or structure that is in danger of falling down or caving in;
  - (b) A part of a building or structure that is standing, even if it has separated from another part of the building or structure; or
  - (c) A building or structure that is standing or any part of a building or structure that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (4) With respect to the following property:
- (a) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
  - (b) Awnings, gutters and downspouts;
  - (c) Yard fixtures;
  - (d) Outdoor swimming pools;
  - (e) Fences;
  - (f) Piers, wharves and docks;
  - (g) Beach or diving platforms; including their appurtenances;
  - (h) Retaining walls; and
  - (i) Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in Paragraph **c.(2)(a)** through **c.(2)(d)**, we will pay for "loss" to that property only if:
- (a) Such "loss" is a direct result of the abrupt collapse of a building or structure insured under this Coverage Part; and
  - (b) The property is Covered Property under this Coverage Part.
- (5) If personal property abruptly falls down or caves in and such collapse

is **not** the result of abrupt collapse of a building or structure, we will pay for direct "loss" to Covered Property caused by such collapse of personal property only if:

- (a) The collapse of personal property was caused by a Cause of Loss listed in **c.(2)(a)** through **c.(2)(d)** of this Coverage Extension;
- (b) The personal property that collapses is inside a building; and
- (c) The property that collapses is not of a kind listed in Paragraph **c.(4)** above of this Coverage Extension, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **c.(5)** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- (6) This Coverage Extension does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (7) This Coverage Extension shall not increase the Limit of Insurance provided in this Coverage Part.
- (8) The term Covered Cause of Loss includes Collapse as described and limited in Paragraphs **c.(1)** through **c.(7)**.

#### **d. Electronic Data**

- (1) This Coverage Extension does not apply to your "stock" of prepackaged software, or to "electronic data" which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2) We will pay for the cost to replace or restore "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss that applies to **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**. To the extent that "electronic data" is not replaced or restored, the "loss" will be valued at the cost of replacement of the me-



dia on which the "electronic data" was stored with blank media of substantially identical type.

- (3) For the purposes of this Coverage Extension only, Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, that is designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for "loss" caused by or resulting from manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system or "electronic data".
- (4) The most we will pay for all direct "loss" under this Coverage Extension, regardless of the number of "premises" or computer systems involved, is \$2,500. This limit is the most we will pay for the total of all direct "loss" arising out of all occurrences that take place in the "coverage term". If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent "loss" sustained in the "coverage term". A balance remaining in a "coverage term" does not carry over to the next "coverage term". With respect to an occurrence which begins in the "coverage term" and continues or results in additional "loss" in a subsequent "coverage term", all "loss" is deemed to be sustained in the "coverage term" in which the occurrence began.

**e. Exhibitions, Fairs or Trade Shows**

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered property of others, while it is located at exhibitions, fairs or trade shows. This Coverage Extension does not apply while Covered Property is in transit to or from the exhibition, fair or trade show.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided under this Coverage Extension does not apply per location.

**f. Fences**

We will pay for direct "loss" caused by a Covered Cause of Loss to your outdoor fences that are located within 1,000 feet of the "premises" and not otherwise insured as Covered Property in this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

**g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage**

- (1) The coverage described in Paragraphs **g.(2)** and **g.(3)** of this Coverage Extension only apply when the "fungi", wet or dry rot or bacteria is the result of a Covered Cause of Loss that occurs during the "coverage term" and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
- (2) We will pay for "loss" by "fungi", wet or dry rot or bacteria. As used in this Coverage Extension, the term "loss" means:
- (a) Direct "loss" to Covered Property caused by "fungi", wet or dry rot or bacteria, including the cost of removal of the "fungi", wet or dry rot or bacteria;
  - (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet or dry rot or bacteria; and
  - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", wet or dry rot or bacteria are present.
- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for "loss", regardless of the number of claims, is \$15,000. This limit is the most we will pay for the total of all "loss" arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungi", wet or dry rot or bacteria continues to be pre-

sent or active, or recurs, in a subsequent "coverage term".

- (4) The coverage provided under this Coverage Extension does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in "loss" by "fungi", wet or dry rot or bacteria, and other "loss", we will not pay more, for the total of all "loss" than the applicable Limit of Insurance on the affected Covered Property.

If there is covered "loss" to Covered Property, not caused by "fungi", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Coverage Extension, except to the extent that "fungi", wet or dry rot or bacteria causes an increase in the "loss". Any such increase in the "loss" will be subject to the terms of this Coverage Extension.

- (5) The terms of this Coverage Extension do not increase or reduce the coverage provided under:

(a) **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse;**

(b) **SECTION A. COVERAGE, 5. Coverage Extensions, s. Water, Other Liquids, Powder or Molten Material Damage**

- (6) The following (6)(a) or (6)(b) apply only if "Business Income", "Rental Value", or Extra Expense Coverage applies to the "premises" and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable "Business Income", "Rental Value", or Extra Expense Coverage.

(a) If the "loss" which resulted in "fungi", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to "loss" to property caused by "fungi", wet or dry rot or bacteria, then our payment under "Business Income" and/or Extra Expense is limited to the amount of "loss" and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

(b) If a covered "suspension" of "operations" was caused by "loss" other than "fungi", wet or dry rot or bacteria but remedia-

tion of "fungi", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for "loss" and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

- (7) This Coverage Extension does not apply to lawns, trees, plants or shrubs that are part of any vegetative roof.

#### h. Glass

- (1) If a Covered Cause of Loss occurs to building glass that is Covered Property, we will also pay necessary expenses you incur to:

(a) Put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;

(b) Repair or replace encasing frames;

(c) Remove or replace obstructions (except expenses to remove or replace window displays); and

(d) Repair or replace alarm tapes.

- (2) If you are a tenant at a covered "premises" and:

(a) The building you occupy is not Covered Property; and

(b) You are legally liable for direct "loss" to the building glass in that building;

such building glass, for the purposes of this Paragraph h.(2), is Covered Property. The most we will pay for "loss" in any one occurrence is \$5,000. This building glass is subject to the building deductible as described in **SECTION C. DEDUCTIBLE**.

- (3) For the purposes of this Coverage Extension only, **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

(a) **Exclusion (1)(b) Earth Movement;**

(b) **Exclusion (1)(c) Governmental Action;**

- (c) **Exclusion (1)(d) Nuclear Hazard;**
- (d) **Exclusion (1)(f) War and Military Action;**
- (e) **Exclusion (2)(d)1) Wear and tear; and**
- (f) As listed in **Exclusion (2)(d)2):** Rust or other corrosion, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

i. **Newly Purchased, Leased or Constructed Property**

(1) **Buildings**

If buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to:

- (a) Your new buildings or additions while being built on the "premises";
- (b) Buildings you newly purchase or become newly required to insure by written contract that are:
  - 1) Intended for use by you as a warehouse; or
  - 2) Similarly used by you as buildings insured under this Coverage Part.

The most we will pay for "loss" in any one occurrence to a building under this Coverage Extension is 1,000,000 for each building.

(2) **Business Personal Property**

- (a) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to business personal property you newly purchase or are required to insure by written contract:
  - 1) While located at buildings described in Paragraph **a.(1)** of this Coverage Extension; or
  - 2) While located in a leased building or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

- (b) Paragraph **a.(2)(a)** of this Coverage Extension does not apply to:

- 1) Any business personal property covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs, or Trade Shows or m. Property Off Premises;**
- 2) Any business personal property that is covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, p. Transportation** or is otherwise considered to be in-transit to or from a "premises".
- 3) Business personal property of others that is temporarily in your possession in the course of installing or performing work on such property, or temporarily in your possession in the course of your manufacturing or wholesaling activities.

The most we will pay for "loss" in any one occurrence to your Business Personal Property under this Coverage Extension is \$500,000 at each building.

(3) **Period of Coverage**

Coverage provided under this Coverage Extension will end when any of the following first occurs:

- (a) This policy expires,
- (b) For buildings described in Paragraph **(1)(a)** of this Coverage Extension, 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (c) For business property described in Paragraph **(1)(b)** and Paragraph **(2)(a)1)**, 90 days after your purchase or lease;
- (d) For business personal property described in Paragraph **(2)(a)2)**, 90 days from the effective date

of the lease of the building space in the building; or

(e) You report values to us.

We will charge you additional premium for values reported from the date you lease or purchase the property, or begin construction on that part of the building that would qualify as Covered Property.

**j. Nonowned Building Damage**

If you are a tenant at a covered "premises" and:

- (1) The building you occupy is not Covered Property; and
- (2) You are legally liable for direct "loss" to that building;

We will pay for direct "loss" to that building caused by burglary, robbery, theft or attempted theft.

This Coverage Extension does not apply to:

- (1) Glass, including lettering and ornamentation, and also necessary:
  - (a) Repair or replacement of encasing frames or alarm tapes; and
  - (b) Expenses incurred to board up openings or remove or replace obstruction.
- (2) Building materials and equipment removed from the "premises".

This Coverage Extension does not apply if you have purchased other insurance in your name on the building you occupy as required by the lease.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

**k. Outdoor Property**

We will pay for direct "loss" caused by a Covered Cause of Loss to the following types of your Covered Property:

- (1) Radio antennas, television antennas or satellite dishes (including their lead-in wiring, masts and towers);
- (2) Trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or part of a vegetative roof), including debris removal; and
- (3) If you are a tenant, to your awnings that are attached to a building you occupy;

but only if caused by or resulting from any of the following causes of loss if they are included as Covered Causes of Loss under this Coverage Part:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion;
- (5) Aircraft; or
- (6) Falling objects.

We will pay for the debris removal expenses of the above type property that are not your Covered Property if such debris is on your "premises" due to the Covered Causes of Loss described in this Coverage Extension. If you are a tenant, we do not pay debris removal expenses for trees, plants or shrubs owned by the landlord or owner of the building you occupy.

No other coverage for debris removal expenses provided in this Coverage Part applies to this Outdoor Property Coverage Extension.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000, but not more than \$1,000 for any one tree, shrub or plant.

**l. Personal Effects**

If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to personal effects owned by:

- (1) You, your officers, or your partners, or if you are a limited liability company, your members or your managers; or
- (2) Your employees (including temporary and leased employees), including tools owned by your employees that are used in your business. However, employee tools are not covered for theft.

This Coverage Extension does not apply to "money" or "securities".

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Coverage Extension has a \$500 per occurrence limitation for direct "loss" by theft.



The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

**m. Property Off Premises**

(1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others, while it is away from the "premises", if it is:

- (a) Temporarily at a location you do not own, lease or operate; or
- (b) In storage at a location you lease, provided the lease was executed for the first time after the beginning of the current "coverage term".

(2) This Coverage Extension does not apply to Covered Property at exhibitions, fairs, trade show, or in transit.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**n. Signs**

We will pay for direct "loss" caused by a Covered Cause of Loss, including debris removal expense, to signs not otherwise insured by this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**o. Trailers (Nonowned Detached)**

(1) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is temporarily in your care, custody or control at the "premises"; and
- (c) You have a contractual responsibility to pay for "loss" to the trailer.

(2) We will not pay for any direct "loss" that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) This insurance is excess over the amount due, whether you can collect on it or not, from any other insurance covering such property.

(4) This Coverage Extension does not apply to any property inside or on the trailer.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

**p. Transportation**

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others while it is in or on a vehicle, including loading and unloading of the property.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**q. Utility Services**

We will pay for:

(1) Direct "loss" to Covered Property at your "premises" except for direct "loss" resulting from the partial or complete failure of Wastewater Removal Services; and

(2) Loss of "Business Income" you sustain and Extra Expenses you incur as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense;**

caused by or resulting from the partial or complete failure of utility services to the "premises".

The partial or complete failure of the utility services listed below must be caused by direct "loss" caused by a Covered Cause of Loss to the following property:

(1) Power Supply Property, meaning the following types of property supplying

electricity, steam or natural gas to the "premises":

- (a) Utility generating plants;
  - (b) Switching stations;
  - (c) Substations;
  - (d) Transformers; and
  - (e) Transmission, distribution, service, or similar lines, excluding all such overhead lines of any type.
- (2) Water Supply Property, meaning the following types of property supplying water to the "premises":
- (a) Pumping stations; and
  - (b) Water mains.
- (3) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the "premises", other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities. Coverage under this Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
- (4) Communication Supply Property, meaning property supplying communication services, including service relating to Internet access or access to any electronic, cellular or satellite network; telephone, radio, microwave or television services to the "premises", such as:
- (a) Communication transmission, distribution, service or similar lines, including fiber optic lines, excluding all such overhead lines of any type;
  - (b) Coaxial cables; and
  - (c) Microwave radio relays, excluding satellites.

This Coverage Extension does not apply to "loss" to "electronic data", including destruction or corruption of "electronic data".

The most we will pay for all direct "loss" and loss of "Business Income" and Extra Expense in any one occurrence is \$25,000.

**r. Valuable Papers and Records**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

- (1) Subject to Paragraph **r.(3)** of this Coverage Extension, we will pay necessary costs you incur to research, replace or restore lost or damaged information on "valuable papers and records" that are your property or the property of others in your care, custody or control; resulting from direct "loss" caused by a Covered Cause of Loss.

- (2) Coverage does not apply to:

- (a) Property that cannot be replaced with other property of like kind and quality;
- (b) Property held as samples or for delivery after sale;
- (c) Property in storage away from the "premises", except as provided in Paragraph **r.(4)(b)** of this Coverage Extension;
- (d) Contraband, or property in the course of illegal transportation or trade;
- (e) "Valuable papers and records" in the form of "electronic data", including the materials on which the "electronic data" is recorded.

- (3) The most we will pay for "loss" is the least of the following amounts:

- (a) The cost of reasonably restoring the damaged property to its condition immediately before the "loss";
- (b) The cost of replacing the damaged property with substantially identical property; or
- (c) The actual cash value of the damaged property at the time of "loss".

However, we will not pay for "loss" unless or until the damaged property is actually replaced or restored; and then only if such replacement or restoration occurs within 36 months from the date of direct "loss".

- (4) We will extend coverage to include:

**(a) Removal**

If you give us written notice within 30 days of removal of your "valuable papers and records"

because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for direct "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limits of Insurance applicable to this Coverage Extension.

**(b) Away From Your Premises**

We will pay up to \$5,000 in any one occurrence, regardless of the number of locations, for direct "loss" caused by a Covered Cause of Loss to "valuable papers and records" while they are away from your "premises".

This Away From Premises limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

**(5) SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension except as follows:

- (a) Exclusion (1)(c) Governmental Action;**
- (b) Exclusion (1)(d) Nuclear Hazard; and**
- (c) Exclusion (1)(f) War and Military Action.**

**(6) In addition to Paragraph r.(5) of this Coverage Extension, we will not pay for direct "loss" resulting from any of the following:**

- (a) Dishonest or criminal acts by:**
  - 1) You, your partners, employees, directors, trustees or authorized representatives;
  - 2) A manager or a member if you are a limited liability company;
  - 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
  - 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **r.(6)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **r.(6)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

- (b) Errors or omissions in processing or copying.** However, we will pay for that portion of direct "loss" caused by resulting fire or explosion if these causes of loss would be covered by this Coverage Part.
- (c) Electrical or magnetic injury, disturbance or erasure of electronic recordings.** But we will pay for direct "loss" caused by lightning.
- (d) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.**

The most we will pay for "loss" in any one occurrence is \$25,000.

**s. Water Damage, Other Liquids, Powder or Molten Material Damage**

If a covered direct "loss" to which this insurance applies was caused by or resulted from water or other liquid, powder or molten material damage, we will also pay the cost to tear out and replace any otherwise undamaged part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

**SECTION B. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except as amended in **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, 4. Additional Coverages, and 5. Coverage Extensions.**

**SECTION C. DEDUCTIBLE**

Except as otherwise provided; in any one occurrence of direct "loss" we will first reduce the amount of "loss" if required by **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance or SECTION F. OPTIONAL COVERAGES, 1. Agreed Value.** If the adjusted amount of direct "loss" is less than or equal to the Deductible, we will not pay for that direct "loss". If the adjusted amount of direct "loss" exceeds the Deductible, we will then

subtract the Deductible from the adjusted amount of direct "loss", and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves direct "loss" to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

## 1. Deductible Examples

### Example No. 1:

(This example assumes there is no coinsurance penalty as outlined in **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**).

Deductible:	\$250
Limit of Insurance - Bldg. 1:	\$60,000
Limit of Insurance - Bldg. 2:	\$80,000
"Loss" to Bldg. 1:	\$60,100
"Loss" to Bldg. 2:	\$90,000

The amount of "loss" to Bldg. 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Bldg. 1 plus the Deductible.

The Deductible will be subtracted from the amount of "loss" in calculating the "loss" payable for Bldg. 1:

$$\$60,100 - \$250 = \$59,850 \text{ "Loss" Payable - Bldg. 1}$$

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of "loss" payable for Bldg. 2. "Loss" payable for Bldg. 2 is the Limit of Insurance of \$80,000.

Total amount of "loss" payable:  $\$59,850 + \$80,000 = \$139,850$ .

### Example No. 2:

(This example also assumes there is no coinsurance penalty).

The Deductible and Limits of Insurance are the same as those in Example No. 1:

"Loss" to Bldg. 1: \$70,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" to Bldg. 2: \$90,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" Payable - Bldg. 1: \$60,000 (Limit of Insurance)

"Loss" Payable - Bldg. 2: \$80,000 (Limit of Insurance)

Total amount of "loss" payable: \$140,000.

## 2. Glass Deductible

When direct "loss" to the building you occupy only involves building glass, the Deductible for that "loss" will be the lesser of:

- a. \$500; or
- b. The Deductible shown in the Declarations for that Covered Property.

## SECTION D. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

### 1. Abandonment

There can be no abandonment of any property to us.

### 2. Appraisal

If we and you disagree on the value of the property, the amount of Net Income and operating expense, or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the amount of Net Income and operating expense, and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we still retain our right to deny the claim.

### 3. Duties in the Event of Loss or Damage

- a. In the event of "loss" to Covered Property, you must see that the following are done in order for coverage to apply:
  - (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the "loss". Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when and where the "loss" occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Keep a



record of your expenses necessary to protect the Covered Property for consideration in the settlement of the claim. This will not increase your limit of insurance. However, in no event will we pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss.

- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of "loss" claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.  
  
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis and permit us to make copies from your books and records.
- (7) Submit a signed sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- (9) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

#### 4. Loss Payment

- a. In the event of "loss" insured by this Coverage Part, at our option, we will either:
  - (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property;
  - (3) Take all or any part of the property at an agreed or appraised value; or
  - (4) Repair, rebuild or replace the property with other property of like kind and quality.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of **SECTION D. LOSS CONDITIONS, 7. Valuation** or any applicable provision that amends or supercedes this valuation condition.

- b. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property, except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust "losses" with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. Our payment for "loss" to personal property of others and personal effects will only be for the account of the owner of the property.
- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- h. We will pay for insured "loss" within 30 days after we receive the sworn proof of loss if you have complied with all of the terms of this Coverage Part; and
  - (1) We have reached agreement with you on the amount of "loss"; or
  - (2) An appraisal award has been made.

#### i. **Loss Payment - Ordinance or Law.**

With respect to **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**:

#### (1) **Loss of Use of Undamaged Parts of Building**

When there is a loss in value of an undamaged portion of a building or structure to which this coverage applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

(a) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is repaired or replaced, on the same "premises" or another "premises"; we will not pay more than the lesser of:

- 1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same "premises" and to the same height, floor area, style and comparable quality of the original property insured; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

(b) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:

- 1) The "actual cash value" of the building at the time of "loss"; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

## (2) Demolition Costs

Loss payment for Demolition Costs will be determined as follows:

We will not pay more than the lesser of the following:

- (a) The amount you actually spend to demolish and clear the site of the "premises"; or

(b) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Demolition Costs** for the building that has suffered "loss".

## (3) Increased Costs of Construction

Loss payment for **Increased Costs of Construction** will be determined as follows:

(a) We will not pay for the increased cost of construction until the property is actually repaired or replaced, at the same "premises" or another location and unless the repairs or replacement are made as soon as reasonably possible after the direct "loss", not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same "premises", or if you elect to rebuild at another "premises", the most we will pay for the **Increased cost of construction** is the lesser of:

- 1) The increased cost of construction at the same "premises"; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

(c) If the ordinance or law requires relocation to another location the most we will pay for the increased cost of construction is the lesser of:

- 1) The increased cost of construction at the new location; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

## (4) Proportional Payments

If the building or structure sustains both direct "loss" that is covered un-

der this Coverage Part and direct "loss" that is not covered under this Coverage Part; and as a result of the direct "loss" in its entirety you are required to comply with the ordinance or law, we will not pay the full amount of direct "loss" otherwise payable under the terms of **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**. Instead, we will pay a proportion of such direct "loss"; meaning the proportion that the covered direct "loss" bears to the total direct "loss".

**j. Loss Determination - Business Income and Extra Expense**

With respect to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**,

- (1) The amount of "Business Income" and "Rental Value" "loss" will be determined based on:
  - (a) The Net Income of the business before the direct "loss" occurred;
  - (b) The likely Net Income of the business if no direct "loss" had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
  - (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
  - (d) Other relevant sources of information, including:
    - 1) Your financial records and accounting procedures;
    - 2) Bills, invoices and other vouchers; and
    - 3) Deeds, liens or contracts.
- (2) The amount of Extra Expense will be determined based on:
  - (a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct "loss"

had occurred. We will deduct from the total of such expenses:

- 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
  - 2) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (b) Necessary expenses that reduce the "Business Income" and "Rental Value" "loss" that otherwise would have been incurred.

**(3) Resumption of Operations**

We will reduce the amount of your:

- (a) "Business Income" and "Rental Value" "loss", other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the "premises" or elsewhere.
  - (b) Extra Expense "loss" to the extent you can return "operations" to normal and discontinue such Extra Expense.
- (4) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**k. Party Walls**

A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the "loss" to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the "loss" to the party wall, subject to all applicable policy provisions all other provisions of this **SECTION D. LOSS CONDITIONS, 4. Loss Payment** including:

- (1) Limit of Insurance shown in the Declarations;
- (2) **SECTION D. LOSS CONDITIONS, 7. Valuation**; and
- (3) **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**.

Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of **COMMERCIAL PROPERTY CONDITIONS, I. Transfer Of Rights Of Recovery Against Others To Us** in this Coverage Part.

## 5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

## 6. Vacancy

### a. Description of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:
  - (a) When this Coverage Part is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
  - (b) When this Coverage Part is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
    - 1) Rented to a lessee or sublessee and used by them to conduct their customary operations; or
    - 2) Used by the building owner to conduct customary operations.

- (2) Buildings under construction or renovation are not considered vacant.

### b. Vacancy Provisions

If the building where direct "loss" occurs has been vacant for more than 60 consecutive days before that "loss", we will:

- (1) Not pay for any "loss" caused by any of the following, even if they are Covered Causes of Loss:
  - (a) Vandalism;
  - (b) Sprinkler leakage, unless you have protected the system against freezing;
  - (c) Building glass breakage;
  - (d) Water damage;
  - (e) Theft; or
  - (f) Attempted theft.
- (2) Reduce the amount we would otherwise pay for the "loss" by 15% with respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** of this Loss Condition.

## 7. Valuation

We will determine the value of Covered Property in the event of direct "loss" as follows:

- a. At "Actual Cash Value" as of the time of direct "loss", except as provided in **b.**, **c.**, **d.**, and **e.** below.
- b. If the Limit of Insurance for Building satisfies **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.



- d. Glass at the cost of replacement with safety glazing material if required by law.
  - e. Tenant's Improvements and Betterments at:
    - (1) Replacement Cost of the lost or damaged property if you make repairs promptly.
    - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
      - (a) Multiply the original cost by the number of days from the "loss" or damage to the expiration of the lease; and
      - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.
- If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
- (3) Nothing if others pay for repairs or replacement.
  - (4) For the purposes of valuation, tenants' improvements and betterments are not considered to be the personal property of others.

## SECTION E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

### 1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any "loss" if the value of Covered Property at the time of direct "loss" times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of direct "loss" by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in step (1);

- (3) Multiply to the total amount of "loss", before the application of any deductible, by the figure determined in step (2); and
- (4) Subtract the deductible from the figure determined in step (3).

We will pay the amount determined in step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the "loss" yourself.

### Example No. 1 (Underinsurance):

The value of the property is: \$250,000  
 The coinsurance percentage is: 80%  
 The Limit of Insurance is: \$100,000  
 The Deductible is: \$250  
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$  (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$100,000 \text{ divided by } \$200,000 = .50$

Step (3):

$\$40,000 \times .50 = \$20,000$

Step (4):

$\$20,000 - \$250 = \$19,750$ .

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

### Example No. 2 (Adequate Insurance):

The value of the property is: \$250,000  
 The coinsurance percentage is: 80%  
 The Limit of Insurance is: \$200,000  
 The Deductible is: \$250  
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$  (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$200,000 : \$200,000 = 1.00$

Step (3):

$\$40,000 \times 1.00 = \$40,000$

Step (4):

$\$40,000 - \$250 = \$39,750$ .

We will pay no more than \$39,750 "loss" in excess of the Deductible. No penalty applies.

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

**Example No. 3:**

The values of the property are:

Bldg. at Location No. 1:	\$75,000
Bldg. at Location No. 2:	\$100,000
Personal Property at Location No. 2:	<u>\$75,000</u>
	250,000

The coinsurance percentage is: 90%  
The Limit of Insurance for Buildings and Personal

Property at Location Nos. 1 and 2 is:	\$180,000
The Deductible is:	\$1,000
The amount of "loss" is:	
Bldg. at Location No. 2:	\$30,000
Personal Property at Location No. 2:	<u>\$20,000</u>
	\$50,000

Step (1):

$\$250,000 \times 90\% = \$225,000$   
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):  
 $\$180,000 : \$225,000 = .80$

Step (3):  
 $\$50,000 \times .80 = \$40,000$

Step (4):  
 $\$40,000 - \$1,000 = \$39,000.$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

## 2. Mortgage Holders

- a. The term "mortgage holder" includes trustee.
- b. We will pay for covered "loss" to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply

with the terms of this Coverage Part, the mortgage holder will still have the right to receive loss payment if the mortgage holder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this Coverage Part will then apply directly to the mortgage holder.

- e. If we pay the mortgage holder for any "loss" and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgage holder at least:
- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgage holder at least ten days before the expiration date of this policy.

## SECTION F. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

**1. Agreed Value**

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for direct "loss" to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Limit of Insurance indicated in the most current Statement of Values that applies to this Coverage Part.
- b. If the Agreed Value Optional Coverage is deleted from the policy, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage does not apply.
- c. The terms of this Optional Coverage apply only to "loss" that occurs:
  - (1) On or after the effective date of this Optional Coverage; and
  - (2) Before the policy expiration date.
- d. This Agreed Value Optional Coverage does not apply to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

**2. Inflation Guard**

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
  - (1) The Limit of Insurance that applied on the beginning of the current "coverage term" or any other Coverage Part change amending the Limit of Insurance, multiplied by
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), multiplied by
  - (3) The number of days since the beginning of the current "coverage term" or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365. In the event of "loss", this number of days ends at the original date of "loss".

Example:

If: The applicable Limit of Insurance is: \$100,000

The Annual percentage increase is: 8%

The number of days since the beginning of the policy year (or last policy change) is: 146

The amount of increase is  
 $\$100,000 \times .08 \times (146/365) = \$3,200$

**3. Replacement Cost**

- a. Replacement Cost (without deduction for depreciation) replaces "Actual Cash Value" in **SECTION D. LOSS CONDITIONS, 7. Valuation** of this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. This Optional Coverage does not apply to:
  - (1) Personal Property of others, except leased personal property as described in **SECTION A. COVERAGE, 1. Covered Property, d.(7)**. The valuation of such leased personal property will be based on the amount for which you are liable under the lease, but not to exceed the replacement cost of the leased item.
  - (2) Personal effects;
  - (3) Contents of a residence;
  - (4) Manuscripts;
  - (5) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
  - (6) "Stock" unless the Replacement Cost including "Stock" option is shown in the Declarations; or
  - (7) Property, that at the time of "loss":
    - (a) Is outdated, or obsolete and is stored or not being used; or
    - (b) Has no practical value to you.
- c. You may make a claim for "loss" covered by this insurance on an "Actual Cash Value" basis instead of on a replacement cost basis. In the event you elect to have "loss" settled on an "Actual Cash Value" basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the "loss".
- d. We will not pay on a replacement cost basis for any "loss":
  - (1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same

purpose as the lost or damaged property; and

- (2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".

e. We will not pay more for "loss" on a replacement cost basis than the least of:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace, on the same "premises", the lost or damaged property with other property:
  - (a) Of comparable material and quality; and
  - (b) Used for the same purpose; or
- (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use, or repair of any building or structure except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law.**

## SECTION G. DEFINITIONS

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.
2. "Business Income" means the:
  - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses sustained, including payroll.
3. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if

any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or
- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

5. "Electronic data" means information, facts or "computer programs" stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.
6. "Finished stock" means stock you have manufactured, except "stock" you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.
7. "Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.
8. "Loss" means accidental physical loss or accidental physical damage.
9. "Money" means:
  - a. Currency, coins and bank notes whether or not in current use; and
  - b. Travelers checks, registered checks and money orders held for sale to the public.
10. "Operations" means:
  - a. Your business activities occurring at the "premises"; and
  - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
11. "Period of restoration" means the period of time that:
  - a. Begins at the time of direct "loss".
  - b. Ends on the earlier of:



- (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
  - (2) The date when business is resumed at a new permanent location.
  - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
    - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
    - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
  - d. The expiration date of the policy will not cut short the "period of restoration".
- 12. "Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
- 13. "Premises"** means the Locations and Buildings described in the Declarations.
- 14. "Rental Value"** means "Business Income" that consists of :
- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "premises" described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the "premises" which is occupied by you; and
  - b. Continuing normal operating expenses incurred in connection with that "premises", including:
    - (1) Payroll; and
    - (2) The amount of charges, which are the legal obligation of the tenant(s) but would otherwise be your obligations.
- 15. "Securities"** means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
- a. Tokens, tickets, revenue and other stamps whether or not in current use; and
  - b. Evidences of debt issued in connection with credit or charge cards, which are not of your own issue; but does not include "money". Lottery tickets held for sale are not "securities" or evidences of debt.
- 16. "Sinkhole collapse"** means the sudden settlement or collapse of earth supporting the Covered Property into subterranean voids created by the action of water on a limestone or similar rock formation. This does not include:
- a. The cost of filling sinkholes;
  - b. Sinking or collapse of land into man-made subterranean cavities; or
  - c. The value of the land.
- 17. "Specified causes of loss"** means fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects; weight of snow, ice or sleet; and water damage.
- a. Falling objects does not include "loss" to:
    - (1) Personal property in the open; or
    - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
  - b. Water damage means:
    - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
    - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "premises" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include "loss" otherwise excluded under the terms of **BUILDING AND BUSINESS PERSONAL PROPERTY, SECTION A. COVERAGE, 3. Covered Causes of Loss, (g) Water**. Therefore, for example, there is no coverage under this Coverage Part in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Exclusion **(g) Water**, there is no coverage for "loss" caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **18.b.(1)** or **18.b.(2)** of this definition of "Specified causes of loss", such

water is not subject to the provisions of Exclusion **(g) Water**.

18. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.
19. "Suspension" means:
  - a. The slowdown or cessation of your business activities; and
  - b. That a part or all of the "premises" is rendered untenable.
20. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information.

But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

## IMPORTANT NOTICE TO POLICYHOLDERS

An extremely important and valuable coverage is available to you through your insurance company and the Indiana Mine Subsidence Insurance Program.

The Indiana Mine Subsidence Insurance Program (IMSIP) offers insurance coverage to property owners in twenty-six (26) affected counties in southwestern Indiana. This coverage may be added to new or existing policies to protect your property from damage due to the collapse of abandoned underground coal mines. The collapse of abandoned underground coal mines can cause **serious structural damage to your home or business**. Without this specific coverage, damage caused by mine subsidence is not covered by your policy.

Mine subsidence insurance protects property owners from losses to structures due to the collapse of abandoned underground coal mines for up to \$200,000, yet the cost to you is low. For the full coverage of \$200,000, a homeowner will pay an additional premium of only \$139.00 per year. A commercial policyholder can obtain the full \$200,000 coverage for only \$179.00 per year. For a very small annual premium you can now protect your property against this potentially disastrous damage.

If you already have this coverage, check with your agent to be sure that you have the appropriate amount of coverage.

Should you have any questions about this coverage or the program in general, you should contact your agent or call the Indiana Mine Subsidence Program at **1-800-332-4674**.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SUPPLEMENTAL SCHEDULE**

##### **Blanket Flood Coverage**

(Enter an "x" in the appropriate box to activate Coverage)

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building      ☐ Business Income      ☐ Extra Expense      ☐ Business Personal Property  
☐ Business Personal Property - Reporting      ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 1,025,785 **Flood Deductible** 50,000

- ☒ Building      ☒ Business Income      ☒ Extra Expense      ☒ Business Personal Property  
☐ Business Personal Property - Reporting      ☐ Property in the Open

<b>Loc #</b>	<b>Bldg #</b>
1	1
2	1
3	1
4	1
5	1
6	1
7	1
8	1
9	1
10	1
11	1
12	1
13	1
14	1
18	1
20	1
22	1
23	1
24	1
25	1
26	1
28	1
29	1
30	1
31	1
32	1
34	1
35	1
36	1
38	1
39	1
48	1
49	1
50	1
53	1
55	1
55	2
56	1
58	1
62	1
63	1
64	1
66	1
67	1
68	1
69	1
70	1

74	1
74	2
76	1
80	1
81	1
82	1
84	1
90	1

**SUPPLEMENTAL SCHEDULE****Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

<b>Loc #</b>	<b>Bldg #</b>	<b>Covered Property*</b>	<b>Flood Limit of Insurance</b>	<b>Flood Deductible</b>
10	1	BUSINESS INCOME	4,999	
12	1	BUSINESS INCOME	2,255	
56	1	BUSINESS INCOME	3,998	
62	1	BUSINESS INCOME	2,917	

\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
1	1	BUILDING
1	1	BUSINESS INCOME
1	1	BUSINESS PERSONAL PROPERTY
2	1	BUILDING
2	1	BUSINESS INCOME
3	1	BUILDING
3	1	BUSINESS INCOME
4	1	BUILDING
4	1	BUSINESS INCOME
5	1	BUILDING
5	1	BUSINESS INCOME

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.



**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
6	1	BUILDING
6	1	BUSINESS INCOME
7	1	BUILDING
7	1	BUSINESS INCOME
8	1	BUILDING
8	1	BUSINESS INCOME
9	1	BUILDING
9	1	BUSINESS INCOME
10	1	BUILDING
10	1	BUSINESS INCOME
11	1	BUILDING

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
11	1	BUSINESS INCOME
12	1	BUILDING
12	1	BUSINESS INCOME
13	1	BUILDING
13	1	BUSINESS INCOME
14	1	BUILDING
18	1	BUILDING
18	1	BUSINESS INCOME
20	1	BUILDING
20	1	BUSINESS INCOME
22	1	BUILDING

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
22	1	BUSINESS INCOME
23	1	BUILDING
23	1	BUSINESS INCOME
24	1	BUILDING
24	1	BUSINESS INCOME
25	1	BUILDING
25	1	BUSINESS INCOME
26	1	BUILDING
26	1	BUSINESS INCOME
28	1	BUILDING
28	1	BUSINESS INCOME

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.



**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
29	1	BUSINESS INCOME
30	1	BUSINESS INCOME
31	1	BUSINESS INCOME
32	1	BUILDING
32	1	BUSINESS INCOME
32	1	BUSINESS PERSONAL PROPERTY
34	1	BUILDING
34	1	BUSINESS INCOME
35	1	BUSINESS INCOME
36	1	BUILDING
36	1	BUSINESS INCOME

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.



**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
38	1	BUILDING
38	1	BUSINESS INCOME
39	1	BUILDING
39	1	BUSINESS INCOME
48	1	BUILDING
48	1	BUSINESS INCOME
49	1	BUILDING
49	1	BUSINESS INCOME
50	1	BUILDING
50	1	BUSINESS INCOME
53	1	BUILDING

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
53	1	BUSINESS INCOME
55	1	BUILDING
55	1	BUSINESS INCOME
55	1	BUSINESS PERSONAL PROPERTY
55	2	BUILDING
56	1	BUILDING
56	1	BUSINESS INCOME
58	1	BUILDING
58	1	BUSINESS INCOME
62	1	BUILDING
62	1	BUSINESS INCOME

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
63	1	BUILDING
63	1	BUSINESS INCOME
64	1	BUSINESS INCOME
66	1	BUSINESS PERSONAL PROPERTY
67	1	BUILDING
67	1	BUSINESS INCOME
68	1	BUILDING
68	1	BUSINESS INCOME
69	1	BUSINESS PERSONAL PROPERTY
70	1	BUILDING
70	1	BUSINESS INCOME

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.



**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
74	1	BUILDING
74	1	BUSINESS INCOME
74	2	BUILDING
74	2	BUSINESS INCOME
76	1	BUSINESS INCOME
80	1	BUILDING
80	1	BUSINESS INCOME
81	1	BUILDING
81	1	BUSINESS INCOME
82	1	BUILDING
82	1	BUSINESS INCOME

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.



**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

#### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

#### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
84	1	BUILDING
84	1	BUSINESS INCOME
90	1	BUILDING
90	1	BUSINESS INCOME

\$

#### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

#### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

## H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

## I. Limit of Insurance for Flood

### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

## EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

## EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUBLIMIT FORM)

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART****SCHEDULE**

**Coverage and Locations**  
(enter an "x" to activate Coverage)

**Blanket Limit of Insurance****Deductible**

☐ Coverage applies at all Locations shown in the Declarations for all of the following:

☐ Building☐ Business Personal Property☐

Business Income

☒ Coverage applies at the Locations indicated below for all the following:

SEE FA241S☐ Building☐ Business Personal Property☐

Business Income

Loc Bldg

Loc

Bldg

☒ Coverage Applies on a Scheduled basis as follows:

Loc	Bldg	Coverage Applies to: (Bldg., BPP, Business Income)	Specific Limit of Insurance	Deductible
1	1	BUILDING	SEE FA241S	
1	1	BUSINESS INCOME	SEE FA241S	
1	1	BPP	SEE FA241S	
2	1	BUILDING	SEE FA241S	
2	1	BUSINESS INCOME	SEE FA241S	
5	1	BUSINESS INCOME	SEE FA241S	
6	1	BUILDING	SEE FA241S	
6	1	BUSINESS INCOME	SEE FA241S	

☐ "Including Masonry Veneer Option"

**A. Application of Earthquake Coverage**

1. This endorsement applies to the Covered Property and Coverages for which an Earthquake - Volcanic Eruption Limit of Insurance is shown in the Schedule of this endorsement.
2. To the extent that the Earth Movement Exclusion of any other form attached to this Coverage Part might conflict with coverage provided under this endorsement, that Earth Movement Exclusion does not apply.

**B. Additional Covered Causes of Loss - Earthquake and Volcanic Eruption**

For the purposes of this endorsement only, the following are added as Covered Causes of Loss to any other Coverage Form endorsed to this Coverage Part:

1. Earthquake, including tremors and after-shocks and any earth sinking, rising, or shifting related to such event.
2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this Coverage Part will not reduce the 168-hour period.

**C. Additional Covered Causes of Loss - Earthquake and Volcanic Eruption - Sprinkler Leakage Only**

If the Declarations indicate that this endorsement covers Earthquake - Sprinkler Leakage Only, then Section **B.** of this endorsement is deleted and replaced by the following:

The following are added as Covered Causes of Loss to any other Coverage Form endorsed to this Coverage Part:

1. Sprinkler Leakage resulting from Earthquake.
2. Sprinkler Leakage resulting from Volcanic Eruption. Volcanic Eruption means the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this Coverage Part will not reduce the 168-hour period.

**D. Amended Exclusions and Provisions**

For the purposes of this endorsement only:

1. The following provisions:

a. **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions and c. Limitations of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION E. EXCLUSIONS of the MORTGAGE INTEREST COVERAGE FORM;**

apply to coverage provided under this endorsement, except as provided in Section **D.2.** and **D.3** below.

2. The following exclusions:

a. **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)(k) Collapse of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION E. EXCLUSIONS, 4.a. Collapse of the MORTGAGE INTEREST COVERAGE FORM;**

do not apply to collapse caused by Earthquake or Volcanic Eruption.

3. The following provisions:

a. **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION H. ADDITIONAL COVERAGE - COLLAPSE of the MORTGAGE INTEREST COVERAGE FORM;**

do not apply to the coverage provided under this endorsement. This endorsement includes coverage for collapse caused by Earthquake or Volcanic Eruption.

4. Any Ordinance or Law Exclusion in this Coverage Part continues to apply with respect to any direct "loss" under this Coverage Part including any direct "loss" under this endorsement, unless Ordinance or Law Coverage is added by endorsement.

**E. Additional Exclusions****1. Pre-Existing Earthquake**

We will not pay for direct "loss" caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance.

**2. Tidal Wave or Tsunami**

We will not pay for direct "loss" caused directly or indirectly by tidal wave or tsunami.

mi, even if attributable to an Earthquake or Volcanic Eruption.

### 3. Exterior Masonry Veneer

We will not pay for direct "loss" to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from the Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of "loss" when applying the **Property Damage Deductible** applicable to this endorsement.

This Exclusion **E.3.** does not apply if:

- a. The Schedule of this endorsement indicates that the "Including Masonry Veneer" option applies or the "premises" description in the Declarations specifically states "Including Masonry Veneer"; or
- b. Less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco).

### 4. Cost of Restoring Land

Coverage under this endorsement does not include the cost of restoring or remediate land or the cost of excavations, grading, backfilling or filling.

## F. Coinsurance

For the purposes of this endorsement only, **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety.

## G. Sublimits of Insurance

### 1. Earthquake Limit of Insurance

- a. For this endorsement only, the term Limit of Insurance means the Sublimit of Insurance applicable to Covered Property that suffers direct "loss" from earthquake or volcanic eruption.

Information on the Limit of Insurance applicable to Covered Property for direct "loss" from earthquake or volcanic eruption is provided in the Schedule of this endorsement. This earthquake limit is included in, and not in addition to, the Limit of Insurance shown in the Declarations for that Covered Property.

### 2. Annual Aggregate Limit

- a. The Limit of Insurance for Earthquake - Volcanic Eruption is an annual aggregate limit and is the most we will pay for the total of all direct

"loss" caused by Earthquake or Volcanic Eruption in any one "coverage term", even if there is more than one Earthquake or Volcanic Eruption during that "coverage term". Thus, if the first Earthquake or Volcanic Eruption does not exhaust the Limit of Insurance, then the balance of that Limit is available for a subsequent Earthquake(s) or Volcanic Eruption(s) during that "coverage term".

- b. If a single Earthquake or Volcanic Eruption (as defined in Section **B.** of this endorsement) begins in the "coverage term" and continues or results in additional direct "loss" in a subsequent "coverage term", all direct "loss" is deemed to be sustained in the "coverage term" in which it began.

## 3. Additional Coverages and Coverage Extensions

Amounts payable under **SECTION A. COVERAGE, 4. Additional Coverages** or **5. Coverage Extensions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** do not increase the Limit of Insurance for Earthquake - Volcanic Eruption.

## 4. Limitation

For property or coverage that is subject to a Blanket Limit on Earthquake - Volcanic Eruption (as shown in the Schedule of this endorsement or in the Declarations), we will not pay more than we would pay in the absence of such Blanket Limit. Therefore, the maximum amount payable for any such item of property or coverage is the Limit of Insurance or stated value (as shown in a Statement of Values on file with us) specific to that item of property or coverage for Covered Causes of Loss other than Earthquake - Volcanic Eruption.

## 5. Ensuing Loss

If a Cause of Loss is covered by means of an exception to the Earth Movement Exclusion as in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement**, we will also pay for the direct "loss" caused by that other Covered Cause of Loss. But the most we will pay, for the total of all direct "loss" caused by the Earthquake, Volcanic Eruption and other Covered Cause of Loss, is the Limit of Insurance applicable to such other Covered Cause of Loss. We will **not** pay the sum of the two Limits.



**6. Ensuing Loss - Examples**

The two examples below use the following information:

- a. The Coverage Part provides direct coverage for the cause of loss of fire and has this **Earthquake and Volcanic Eruption Endorsement (Sub-limit Form)** attached;
- b. The Limit of Insurance applicable to the building for fire is \$800,000;
- c. The Limit of Insurance for Earthquake and Volcanic Eruption is \$400,000 and the Earthquake Deductible is \$50,000.

**d. Example #1**

A building is damaged by Earthquake, and by Fire which is caused by the Earthquake.

The direct damage due to Earthquake is \$500,000. The damage due to Fire is \$500,000.

Payment for Earthquake damage is \$400,000 (\$500,000 damage minus \$50,000 Earthquake deductible = \$450,000; Limit is \$400,000).

Payment for Fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the Earthquake Limit).

Total Loss Payment is \$800,000.

**e. Example #2**

The direct damage due to Earthquake is \$800,000. The damage due to Fire is \$100,000.

Payment for Earthquake damage is \$400,000 (\$800,000 damage minus \$50,000 Earthquake deductible = \$750,000; Limit is \$400,000).

Payment for Fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**H. Earthquake Property Damage Deductible**

- 1. The provisions of Section **H.3.** of this endorsement are applicable to all Coverage Forms except:
  - a. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
  - b. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;**

**c. EXTRA EXPENSE COVERAGE FORM;** and**d. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

- 2. If the Declarations indicate that this endorsement covers Earthquake - Sprinkler Leakage Only, then the deductible set forth in Section **H.3.** of this endorsement does not apply to such coverage. The applicable deductible for such coverage is the same deductible that applies to fire.
- 3. The Deductible, if any, in this Coverage Part is replaced by the following with respect to Earthquake and Volcanic Eruption:

**a. All Policies**

- (1) The Deductible provisions apply to each Earthquake or Volcanic Eruption.
- (2) Separate Deductibles are calculated for, and apply to, each building and business personal property at each building and business personal property in the open. Deductibles are separately calculated and applied even if:
  - (a) Two or more buildings sustain direct "loss";
  - (b) Business personal property at two or more buildings sustains direct "loss"; or
  - (c) A building and the personal property in that building sustain direct "loss".
- (3) We will not pay for direct "loss" until the amount of "loss" exceeds the applicable Deductible. We will then pay the amount of "loss" in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Agreed Value Optional Coverage, Additional Condition - Need for Adequate Insurance, or Additional Condition - Need for Full Reports.
- (4) When property is covered under the Coverage Extension for Newly Purchased, Leased or Constructed Property, in determining the amount, if any, that

we will pay for direct "loss", we will deduct an amount equal to a percentage of the value of the property at time of "loss". The applicable percentage for Newly Purchased, Leased or Constructed Property is the highest percentage shown in the Declarations for any "premises".

- (5) If there is direct "loss" caused by Earthquake or Volcanic Eruption, and direct "loss" caused by a Cause of Loss (e.g., fire) that is covered by means of an exception to the Earth Movement Exclusion, then the only applicable Deductible provisions are those stated in this endorsement.
- (6) The Earthquake or Volcanic Eruption deductible can be expressed as a dollar amount or as a percentage of the Earthquake Limit of Insurance shown in the Schedule. If blanket coverage applies, the percentage deductible is applied to the blanket Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**b. Calculation of the Dollar Deductible**

In determining the amount, if any, that we will pay for direct "loss", we will deduct an amount equal to the dollar amount shown in the Schedule, for the applicable (blanket or specific) Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**c. Calculation of the Percentage Deductible**

In determining the amount, if any, that we will pay for direct "loss", we will deduct an amount equal to the percentage that the deductible bears to the applicable (blanket or specific) Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**I. Example - Application of Percentage Deductible in H.3.c.**

The example below uses the following information:

1. The specific Earthquake limits of insurance are:

- (a) Building #1 - \$500,000  
Building #2 - \$500,000
- (b) Business Personal Property at Building #1 - \$250,000  
Business Personal Property at Building #2 - \$250,000

The Deductible is 10%

**2. Deductible Calculation**

Building #1 and Business Personal Property at Building #1 have sustained damage and the amounts of direct "loss" are \$95,000 (Building) and \$5,000 (Business Personal Property).

**(a) Building**

Step (1):  $\$500,000 \times 10\% = \$50,000$   
Step (2):  $\$95,000 \text{ loss} - \$50,000 \text{ deductible} = \$45,000$

**(b) Business Personal Property**

Step (1):  $\$250,000 \times 10\% = \$25,000$

The loss, \$5,000, does not exceed the deductible.

The most we will pay is \$45,000. The remainder of the building "loss", \$50,000, is not covered due to application of the Deductible. There is no "loss" payment for the business personal property.

**J. Business Income and Extra Expense Period of Restoration**

This Section J. is applicable only to the Coverage Forms specified below:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;**
3. **EXTRA EXPENSE COVERAGE FORM;** and
4. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business income and Extra Expense.**

The "period of restoration" definition stated in the Coverage Form, or in any endorsement amending the beginning of the "period of restoration", applies to each Earthquake or Volcanic Eruption. A single Earthquake or Volcanic Eruption is defined in Section B. and C. of this endorsement.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

**EARTHQUAKE AND VOLCANIC ERUPTION  
ENDORSEMENT - (SUBLIMIT FORM)  
SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

**SUPPLEMENTAL SCHEDULE**

**Blanket Earthquake Sublimit Coverage**

**Coverage and Locations**

(enter an "x" to activate Coverage)

- ☐ The Blanket Earthquake Sublimit applies at all "premises" shown in the Declarations for the following Covered Property:

Blanket Limit of Insurance \_\_\_\_\_ Earthquake Deductible \_\_\_\_\_

- ☐ Building ☐ Building Including Masonry Veneer ☐ Business Income ☐ Extra Expense  
☐ Business Personal Property ☐ Business Personal Property - Reporting  
☐ Property in the Open

- ☒ The Blanket Earthquake Sublimit applies at the "premises" shown below for the following Covered Property:

Blanket Limit of Insurance 8,969,173 Earthquake Deductible 10%

- ☒ Building ☐ Building Including Masonry Veneer ☒ Business Income ☒ Extra Expense  
☐ Business Personal Property ☐ Business Personal Property - Reporting  
☐ Property in the Open

<b>Loc.</b>	<b>Bldg.</b>
3	1
4	1
5	1
7	1
8	1
9	1
10	1
11	1
12	1
13	1
14	1
18	1
20	1
22	1
23	1
24	1
25	1
26	1
27	1
28	1
29	1
30	1
31	1
32	1
34	1
35	1
36	1
38	1
39	1
48	1
49	1
50	1
53	1
55	1
55	2
56	1
58	1
61	1
62	1
63	1
64	1



- ☒ The Blanket Earthquake Sublimit applies at the "premises" shown below for the following Covered Property:

Blanket Limit of Insurance 3,507 Earthquake Deductible 10%

- ☐ Building ☐ Building Including Masonry Veneer ☐ Business Income ☐ Extra Expense  
☒ Business Personal Property ☐ Business Personal Property - Reporting  
☐ Property in the Open

Loc.	Bldg.
32	1
55	1

**SUPPLEMENTAL SCHEDULE****Scheduled Earthquake Sublimit Coverage**

☒ Earthquake Sublimits apply on a scheduled basis as indicated below:

<b>Loc.</b>	<b>Bldg.</b>	<b>Covered Property*</b>	<b>Earthquake Limit of Insurance</b>	<b>Earthquake Deductible</b>
1	1	BUILDING	531,089	10%
1	1	BUSINESS INCOME	69,192	
1	1	BPP	133,607	10%
2	1	BUILDING	162,834	10%
2	1	BUSINESS INCOME	58,329	
5	1	BUSINESS INCOME	32,216	
6	1	BUILDING	66,804	10%
6	1	BUSINESS INCOME	12,664	

\* **Covered Property** should be described as Building, Building Including Masonry Veneer, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

**A. Nuclear Hazard**

Exclusion (1)(d) **Nuclear Hazard in SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

**(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

**B. Electrical Current**

Exclusion (2)(a) **Electrical Current in SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

**(a) Electrical Current**

Artificially generated electrical or magnetic or energy that damages, disturbs, disrupts or otherwise interferes with any:

- 1) Electrical or electronic wire, device, appliance, system or network; or
- 2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical or magnetic energy includes but is not limited to:

- 1) Electrical current, including arcing;
- 2) Electrical charge produced or conducted by a magnetic field; or
- 3) Pulse.

However, if fire results, we will pay for "loss" caused by that fire.

**C. Inventory or Appraisal**

The last paragraph in **SECTION A. COVERAGE, 4. Additional coverages, e. Inventory or Appraisal** is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

**CinciPlus<sup>TM</sup>**

# COMMERCIAL PROPERTY EXPANDED COVERAGE (XC<sup>TM</sup>) PLUS ENDORSEMENT SUMMARY OF COVERAGE LIMITS

This is a summary of the Coverages and the Limits of Insurance provided by the Commercial Property Expanded Coverage (XC<sup>TM</sup>) Plus Endorsement, **FA 250**, in combination with the Commercial Property Coverage Form, **FM101**, which is included in this policy. **No coverage is provided by this summary.** Refer to endorsement **FA 250** and the Commercial Property Coverage Form, **FM 101**, to determine the scope of your insurance protection.

<b><u>Blanket Coverages:</u></b>	<b><u>Blanket Coverage Limit:</u></b>	<b>Page No. (FA 250):</b>
	\$ 150,000 in total for all loss arising from all Blanket Coverages arising from a single occurrence, except as noted otherwise in the form.	
Accounts Receivable		1
Debris Removal		8
Electronic Data Processing Property (EDP):		3
Duplicate and Backup Electronic Data	\$2,000 Outside of the Blanket Coverage Limit	3
Newly Acquired EDP	\$10,000 Outside of the Blanket Coverage Limit	4
In Transit or Away From Premises	\$10,000 Outside of the Blanket Coverage Limit	4
Worldwide Laptop Coverage		4
Ordinance or Law (Increased Construction Costs and Demolition)		6
Peak Season		8
Personal Property of Others		8
Tenant Move Back Expenses		7
Valuable Papers and Records		6

<b><u>Other Coverages</u></b> (not subject to Blanket Coverage Limit):	<b><u>Limit of Insurance:</u></b>	<b>Page No. (FA 250):</b>
Brands and Labels	\$25,000	11
Business Income and Extra Expense:	\$100,000	1
Business Income From Dependent Properties	\$5,000 (sub-limit, subject to a 24 hour deductible)	1
Interruption of Computer Operations	\$25,000 (sub-limit, subject to a 24 hour deductible)	2

<b><u>Other Coverages</u></b> <b><u>(not subject to Blanket Coverage Limit):</u></b>	<b><u>Limit of Insurance:</u></b>	<b>Page No. (FA 250):</b>
Fine Arts	\$25,000	5
Fire Department Service Charge	\$25,000	7
Fire Protection Equipment Recharge	\$50,000	8
Inflation Guard	4% on all Building Property referenced in the Declarations	11
Non-Owned Building Damage:		10
Loss caused by theft, burglary or robbery	Up to the Business Personal Property (BPP) Limit of Insurance	10
Loss by any other Covered Cause of Loss	\$25,000 or the BPP Limit of Insurance (whichever is less)	10
Ordinance or Law (other than Increased Construction Costs and Demolition)	Subject to the Building Limit of Insurance	6
Outdoor Property	\$25,000 (\$1,000 for any one tree, shrub or plant)	7
Paved Surfaces	\$20,000	9
Personal Effects	\$25,000 (\$1,000 for loss by theft)	7
Pollutant Clean Up and Removal	\$25,000	6
Signs	\$10,000	7
Temperature Change	\$5,000	9
Underground Property	Subject to the Building Limit of Insurance	6
Water Backup from Sewers, Drains or Sumps	\$10,000	7

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OHIO CHANGES - COMMERCIAL PROPERTY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A.** Paragraphs **c.** and **h.** of the **Loss Payment** Condition are replaced by the following, except as provided in Paragraph **B.**:

- c.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- h.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered "loss" or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and
  - (a) An appraisal award has been made; or
  - (b) We have reached an agreement with you on the amount of "loss" that was in dispute.

- B.** Paragraph **A.** does not apply to the **Loss Payment** Loss Condition in the following forms:

1. Business Income (And Extra Expense) Coverage Form;
2. Business Income (Without Extra Expense) Coverage Form;

3. Extra Expense Coverage Form; and
4. Leasehold Interest Coverage Form; and
5. Mortgage Interest Coverage Form.

In the forms listed above, the **Loss Payment** Loss Condition is replaced by the following:

**LOSS PAYMENT**

- a.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- b.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered "loss" or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and

- (a) An appraisal award has been made; or
- (b) We have reached an agreement with you on the amount of "loss" that was in dispute.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARIZONA CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **A. Additional Coverages**

For exposures located in the state of Arizona, the **Fire Department Service Charge**, Additional Coverage does not apply.

#### **B. Exclusion (1)(d) Nuclear Hazard in SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS) is deleted in its entirety and replaced by the following:**

##### **(1)(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

#### **C. Exclusion 2.e. Nuclear Hazard in EXCLUSIONS - Coverages A. AND B. of the MORTGAGE INTEREST COVERAGE FORM is deleted in its entirety and replaced by the following:**

##### **2.e. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

#### **D. The Concealment, Misrepresentation or Fraud Condition is replaced by the following:**

We will not pay for any "loss" in any case involving misrepresentations, omissions, concealment of facts or incorrect statements:

1. That are fraudulent;
2. That are material either to the acceptance of the risk, or to the hazard assumed by us; and
3. Where, if the true facts had been known to us as required either by the application for the policy or otherwise, we in good faith would either:
  - a. Not have issued the policy;
  - b. Not have issued the policy in as large an amount; or
  - c. Not have provided coverage with respect to the hazard resulting in the "loss".

## COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### A. Concealment, Misrepresentation or Fraud

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### B. Control of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of direct "loss", the breach of condition does not exist.

### C. Insurance Under Two or More Coverages

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

### D. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct "loss" occurred.

### E. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### F. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### G. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered "loss". Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same "loss", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. **However, we will not reimburse any deductible or difference between Actual Cash Value and Replacement Cost valuations.** We will not pay more than the applicable Limit of Insurance.

### H. Policy Period, Coverage Territory

Under this Coverage Part:

1. We cover "loss" commencing:
  - a. During the policy period shown in the Declarations; and
  - b. Within the coverage territory.
2. The coverage territory:
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada.

### I. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after direct "loss" to impair them. But you may waive your rights against another party in writing:



1. Prior to a direct "loss" to your Covered Property or Covered Income.
2. After a direct "loss" to your Covered Property or Covered Income only if, at time of direct "loss", that party is one of the following:

**a.** Someone insured by this insurance;

**b.** A business firm:

(1) Owned or controlled by you; or

(2) That owns or controls you; or

**c.** Your tenant.

This will not restrict your insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
1	1	180		
2	1	180		
3	1	180		
4	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

**C.** In determining the operating expenses for the policy year for Coinsurance purposes, payroll expenses will not include "ordinary payroll expenses", except for "ordinary payroll expenses" incurred during the number of days shown in the Schedule, or in the Declarations. If the "ordinary payroll expenses" for the policy year vary during the year, the period of greatest "ordinary payroll expenses" will be used.

**D.** "Ordinary payroll expenses" means payroll expenses for all your employees except:

1. Officers;
2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
5	1	180		
6	1	180		
7	1	180		
8	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

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1. Officers;
2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
9	1	180		
10	1	180		
11	1	180		
12	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

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2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
13	1	180		
18	1	180		
20	1	180		
22	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

**C.** In determining the operating expenses for the policy year for Coinsurance purposes, payroll expenses will not include "ordinary payroll expenses", except for "ordinary payroll expenses" incurred during the number of days shown in the Schedule, or in the Declarations. If the "ordinary payroll expenses" for the policy year vary during the year, the period of greatest "ordinary payroll expenses" will be used.

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1. Officers;
2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
23	1	180		
24	1	180		
25	1	180		
26	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

**C.** In determining the operating expenses for the policy year for Coinsurance purposes, payroll expenses will not include "ordinary payroll expenses", except for "ordinary payroll expenses" incurred during the number of days shown in the Schedule, or in the Declarations. If the "ordinary payroll expenses" for the policy year vary during the year, the period of greatest "ordinary payroll expenses" will be used.

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1. Officers;
2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
27	1	180		
28	1	180		
29	1	180		
30	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

**C.** In determining the operating expenses for the policy year for Coinsurance purposes, payroll expenses will not include "ordinary payroll expenses", except for "ordinary payroll expenses" incurred during the number of days shown in the Schedule, or in the Declarations. If the "ordinary payroll expenses" for the policy year vary during the year, the period of greatest "ordinary payroll expenses" will be used.

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1. Officers;
2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
31	1	180		
32	1	180		
34	1	180		
35	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

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2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.



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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
36	1	180		
38	1	180		
39	1	180		
48	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

**C.** In determining the operating expenses for the policy year for Coinsurance purposes, payroll expenses will not include "ordinary payroll expenses", except for "ordinary payroll expenses" incurred during the number of days shown in the Schedule, or in the Declarations. If the "ordinary payroll expenses" for the policy year vary during the year, the period of greatest "ordinary payroll expenses" will be used.

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3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
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- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
49	1	180		
50	1	180		
53	1	180		
55	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

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5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
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- (4) Union dues you pay; and
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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
56	1	180		
58	1	180		
61	1	180		
62	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

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3. Department managers;
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5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

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- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
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- (4) Union dues you pay; and
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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
63	1	180		
64	1	180		
67	1	180		
68	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

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5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
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- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
70	1	180		
74	1	180		
74	2	180		
76	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

- 1. BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, and**
- 2. BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

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**D.** "Ordinary payroll expenses" means payroll expenses for all your employees except:

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- 2.** Executives;
- 3.** Department managers;
- 4.** Employees under contract; and
- 5.** Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a.** Job Classifications; or
  - b.** Employees.

"Ordinary payroll expenses" include:

- (1)** Payroll;
- (2)** Employee benefits, if directly related to payroll;
- (3)** FICA payments you pay;
- (4)** Union dues you pay; and
- (5)** Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
80	1	180		
81	1	180		
82	1	180		
84	1	180		

**A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**, and
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

**C.** In determining the operating expenses for the policy year for Coinsurance purposes, payroll expenses will not include "ordinary payroll expenses", except for "ordinary payroll expenses" incurred during the number of days shown in the Schedule, or in the Declarations. If the "ordinary payroll expenses" for the policy year vary during the year, the period of greatest "ordinary payroll expenses" will be used.

**D.** "Ordinary payroll expenses" means payroll expenses for all your employees except:

1. Officers;
2. Executives;
3. Department managers;
4. Employees under contract; and
5. Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a. Job Classifications; or
  - b. Employees.

"Ordinary payroll expenses" include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Workers compensation premiums.

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## **ORDINARY PAYROLL LIMITATION OR EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

Location Number	Building Number	Number of Days Ordinary Payroll Coverage is Provided	Additional Exemptions	
			Job Classifications	Employees
90	1	180		

#### **A. Applicable Coverage Forms**

This endorsement applies to the following Coverage Forms:

- 1. BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, and**
- 2. BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

**B.** Business Income includes "ordinary payroll expenses" only for the number of days shown in the Schedule, or in the Declarations, following the date of direct physical "loss". If no entry is made, "ordinary payroll expenses" are excluded.

**C.** In determining the operating expenses for the policy year for Coinsurance purposes, payroll expenses will not include "ordinary payroll expenses", except for "ordinary payroll expenses" incurred during the number of days shown in the Schedule, or in the Declarations. If the "ordinary payroll expenses" for the policy year vary during the year, the period of greatest "ordinary payroll expenses" will be used.

**D.** "Ordinary payroll expenses" means payroll expenses for all your employees except:

- 1.** Officers;
- 2.** Executives;
- 3.** Department managers;
- 4.** Employees under contract; and
- 5.** Additional Exemptions, shown in the Schedule or in the Declarations as:
  - a.** Job Classifications; or
  - b.** Employees.

"Ordinary payroll expenses" include:

- (1)** Payroll;
- (2)** Employee benefits, if directly related to payroll;
- (3)** FICA payments you pay;
- (4)** Union dues you pay; and
- (5)** Workers compensation premiums.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## MULTIPLE DEDUCTIBLE FORM

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

Loc. Number	Bldg. Number	Earthquake Deductible*	Flood Deductible**	Deductible (Except Earthquake or Flood)
1	1			25,000 BPP
1	1			5,000 BUILDING
2	1			5,000 BUILDING
3	1			5,000 BUILDING
4	1			5,000 BUILDING
5	1			5,000 BUILDING
6	1			5,000 BUILDING
7	1			5,000 BUILDING
8	1			5,000 BUILDING
9	1			5,000 BUILDING
10	1			5,000 BUILDING
11	1			5,000 BUILDING
12	1			5,000 BUILDING
13	1			5,000 BUILDING
14	1			5,000 BUILDING
18	1			5,000 BUILDING
20	1			5,000 BUILDING
22	1			5,000 BUILDING
23	1			5,000 BUILDING
24	1			5,000 BUILDING
25	1			5,000 BUILDING
26	1			5,000 BUILDING
27	1			5,000 BUILDING
28	1			5,000 BUILDING
32	1			25,000 BPP
32	1			5,000 BUILDING
34	1			5,000 BUILDING

\* Per the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**

\*\* Per the **FLOOD COVERAGE ENDORSEMENT**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

#### **Multiple Deductibles**

**a.** In the event that "loss" occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule in the column titled "Deductible - Except Earthquake or Flood" or in the Declarations, will apply. However, if less than 50% of the aggregate amount of "loss" from that occurrence occurs at the building with the highest deductible, the next high-

est deductible among the buildings in the Schedule or Declarations that has suffered "loss" should be applied.

**b.** Paragraph **a.** of this endorsement does not apply to any:

- (1) Earthquake deductible applicable to the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**, or
- (2) Flood deductible applicable to the **FLOOD COVERAGE ENDORSEMENT**.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****MULTIPLE DEDUCTIBLE FORM**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART****SCHEDULE**

Loc. Number	Bldg. Number	Earthquake Deductible*	Flood Deductible**	Deductible (Except Earthquake or Flood)
36	1			5,000 BUILDING
38	1			5,000 BUILDING
39	1			5,000 BUILDING
48	1			5,000 BUILDING
49	1			5,000 BUILDING
50	1			5,000 BUILDING
53	1			5,000 BUILDING
55	1			25,000 BPP
55	1			5,000 BUILDING
55	2			5,000 BUILDING
56	1			5,000 BUILDING
58	1			5,000 BUILDING
61	1			5,000 BUILDING
62	1			5,000 BUILDING
63	1			5,000 BUILDING
66	1			25,000 BPP
67	1			5,000 BUILDING
68	1			5,000 BUILDING
69	1			25,000 BPP
70	1			5,000 BUILDING
74	1			5,000 BUILDING
74	2			5,000 BUILDING
80	1			5,000 BUILDING
81	1			5,000 BUILDING
82	1			5,000 BUILDING
84	1			5,000 BUILDING
90	1			5,000 BUILDING

\* Per the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**

\*\* Per the **FLOOD COVERAGE ENDORSEMENT**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

**Multiple Deductibles**

a. In the event that "loss" occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule in the column titled "Deductible - Except Earthquake or Flood" or in the Declarations, will apply. However, if less than 50% of the aggregate amount of "loss" from that occurrence occurs at the building with the highest deductible, the next high-

est deductible among the buildings in the Schedule or Declarations that has suffered "loss" should be applied.

b. Paragraph a. of this endorsement does not apply to any:

- (1) Earthquake deductible applicable to the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**, or
- (2) Flood deductible applicable to the **FLOOD COVERAGE ENDORSEMENT**.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**NORTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to the STANDARD PROPERTY POLICY **CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** The **Legal Action Against Us** Condition is deleted in its entirety and replaced by the following:

**Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within three years after the date on which the direct physical "loss" occurred.

**C.** Paragraphs **d.** and **e.** of the **Replacement Cost** Optional Coverage are deleted in their entirety and replaced by the following:

**d.** We will not pay on a replacement cost basis for any "loss":

- (1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same purpose as the lost or damaged property:

- (a) On the described "premises"; or
  - (b) At some other location in the State of North Carolina; and

- (2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".

**e.** We will not pay more for "loss" on a replacement cost basis than the least of:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace the lost or damaged property with other property;
  - (a) Of comparable material and quality; and

(b) Used for the same purpose; or

- (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

The above provisions, **d.** and **e.**, do not apply to the Standard Property Policy **CP 00 99**.

**D.** The **Appraisal Loss Condition** is deleted in its entirety and replaced by the following:

**Appraisal**

If we and you disagree on the value of the property, the amount of Net Income and operating expense, or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. You and we must notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If the appraisers do not agree on the selection of an umpire within 15 days, they must request selection of an umpire by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the amount of Net Income and operating expense, and the amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be the appraised value of the property, the amount of Net Income and operating expense, and the amount of "loss".

Each party will:

- a.** Pay its chosen appraiser; and
- b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we still retain our right to deny the claim.

**E.** Exclusion (1)(d) **Nuclear Hazard** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)** is deleted in its entirety and replaced by the following:

**(1)(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- F.** Exclusion **2.e. Nuclear Hazard** in **EXCLUSIONS - COVERAGES A. AND B.** of the **MORTGAGE INTEREST COVERAGE FORM** is deleted in its entirety and replaced by the following:

**2.e. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- G.** The following condition is added:

**Time Period for Performance of Contractual Obligations**

Whenever a state of disaster is proclaimed for the state of North Carolina or for an area within this state in accordance with state law, or whenever a major disaster is declared for North Carolina or an area within this state by the President of the United States under the Stafford Act or its successors, the following provisions apply:

1. If the Covered Property that has sustained "loss" is located within the geographic area designated in the disaster declaration or proclamation, the time period for your submission of a proof of loss (as set forth in the Duties in the Event of Loss or Dam-

age Condition or similar provision in this Coverage Part or in an endorsement attached to this Coverage Part) shall be extended by a time period not exceeding the earlier of:

- a. The expiration of the disaster proclamation or declaration and all renewals of the proclamation; or
- b. The expiration of the Insurance Commissioner's order declaring action for the specific disaster, as determined by the Insurance Commissioner.

2. Except as otherwise provided in Paragraph 1., the following applies if you or we reside in or are located in the geographic area designated in the disaster declaration or proclamation:

If this Coverage Part or an endorsement attached to this Coverage Part imposes a time limitation on you or us for a performance of:

- a. A premium or debt payment; or
- b. Any other duty or any act (including transmittal of information),

under the terms of this Coverage Part and such performance would be required during the time period prior to the expiration of the Insurance Commissioner's order declaring action for the specific disaster, as determined by the Insurance Commissioner, your performance and our performance is subject to a deferral period of 30 days. The Commissioner of Insurance may extend such deferral period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**KANSAS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A.** In **COMMERCIAL PROPERTY CONDITIONS; D. Legal Action Against Us** is deleted in its entirety and replaced by the following:

**LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 5 years after the date on which the direct physical "loss" occurred.

- B.** The following applies when coverage is provided for townhouse buildings and structures:

1. The following is added:

The Association of Townhouse Owners includes every person or organization who is an owner of a fee simple title to a townhouse unit, for which insurance is provided by this policy.

2. In **COMMERCIAL PROPERTY CONDITIONS; B. Control of Property** is deleted in its entirety and replaced by the following:

The following will not affect this insurance if beyond your direction or control:

- a. Any act or neglect by any occupants or owners of the buildings; or
- b. Your failure to comply with any warranty or condition with regard to any portion of your premises.

If you violate a condition of this Coverage Part, we will not pay for "loss" at the involved location. But your coverage will continue for other locations at which the violation does not apply.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM SECTION A. COVERAGE 2., Property Not Covered**, is amended to include the following:

Household and personal property, unless owned by the Association of Townhouse Owners.

4. **BUILDING AND PERSONAL PROPERTY FORM, Section E. Additional Conditions, 2. Mortgage Holders**, Paragraph **b.** is deleted in its entirety and replaced by the following:

2. We will pay for covered "loss" to buildings or structures to:

- (1) The Insurance Trustee for the benefit of each Townhouse Owner;
- (2) The holder of each first mortgage; and
- (3) The Association;

as interests may appear and as shown in the Townhouse Declaration.

- C.** The **Appraisal Loss Condition** is replaced by the following:

If, after a claim has been made, a dispute arises because we and you disagree on the value of the property or the amount of "loss", either may make a written request for an appraisal of the "loss". **However, an appraisal will be made only if both, we and you agree, voluntarily, to have the "loss" appraised.** If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. **A decision agreed to by any two will be binding.** Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expense of the appraisal and umpire equally.

If there is an appraisal, we will retain our right to deny the claim.

- D.** The following is added:

The term "Actual Cash Value" means the amount it would cost to repair or replace Covered Property with material of like kind and quality, less allowance for deterioration and depreciation, including obsolescence.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - RIGHTS OF RECOVERY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

- A.** Unless Section **B.** of this endorsement applies, **COMMERCIAL PROPERTY CONDITIONS, I. Transfer of Rights of Recovery Against Others to Us** is deleted in its entirety and replaced by the following:

#### **Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a "loss" to your Covered Property or Covered Income.
2. After a "loss" to your Covered Property or Covered Income only if, at time of "loss", that party is one of the following:
  - a. Someone insured by this insurance;
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you; or
  - c. Your tenant.

This will not restrict your insurance.

- B.** In **MORTGAGE INTEREST COVERAGE FORM, SECTION K. CONDITIONS APPLICABLE TO ALL COVERAGES, 6. Transfer of Rights of Recovery Against Others to Us** is deleted in its entirety and replaced by the following:

#### **Transfer of Rights of Recovery Against Others to Us**

- a. Under **COVERAGES A** and **B**, if any person or organization to or for whom we make payment under this Coverage Part

has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after "loss" to impair them. But you may waive your rights against another party in writing:

- (1) Prior to a "loss" to your Covered Property.
- (2) After a "loss" to your Covered Property only if, at time of "loss", that party is one of the following:
  - (a) Someone insured by this insurance;
  - (b) A business firm:
    - 1) Owned or controlled by you; or
    - 2) That owns or controls you; or
  - (c) Your tenant.

This will not restrict your insurance.

- b. Under **COVERAGES C** and **D**, if you have rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. Our right to recover damages may be enforced even if you have not been fully compensated for damages.

You must do nothing after "loss" to impair our rights to recover all or part of any payment we have made under this Coverage Part. At our request, you will bring "suit" or transfer those rights to us and help us enforce them.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CINCIPLUS®**  
**COMMERCIAL PROPERTY XC+®**  
**(EXPANDED COVERAGE PLUS) ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

The insurance coverage and Limits of Insurance provided by this endorsement are excess of, and apply in addition to, any similar or identical coverage provided by any other endorsement attached to this Coverage Part, or by any other Coverage Part forming a part of the policy of insurance of which this Coverage Part forms a component.

**SCHEDULE**

<b>Blanket Coverage Limit</b>	<b>\$150,000</b>
Applicable only to those coverages subject to the Blanket Coverage Limit, as indicated in this endorsement	

**A. Accounts Receivable**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the second paragraph in **(3)(b) Away From Your Premises** is deleted in its entirety and replaced by the following:

This limit of insurance for Away From Your Premises coverage is not included within the Blanket Coverage Limit and is separate and in addition to the Blanket Coverage Limit.

2. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Accounts Receivable Coverage Extension is the Blanket Coverage Limit as provided in Section X of this endorsement.

**B. Business Income and Extra Expense**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVER-**

**AGE, 5. Coverage Extensions, b. Business Income and Extra Expense** is modified as follows:

1. **Business Income From Dependent Properties**

- a. For **Business Income from Dependent Properties** only, Paragraph **b.(1)** is deleted in its entirety and replaced by the following:

- (1) **Business Income From Dependent Properties**

We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to "dependent property" caused by or resulting from any Covered Cause of Loss.

However, coverage under this endorsement does not apply when the only "loss" to "dependent property" is "loss" to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains "loss" to "electronic data" and other property, coverage under this endorsement will not

continue once the other property is repaired, rebuilt, or replaced.

**b. Limit of Insurance for Dependent Properties**

The most we will pay for loss in one occurrence under **Business Income From Dependent Properties** is \$5,000. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

**c. Loss Determination for Dependent Properties**

For **Business Income from Dependent Properties** only, the following is added:

**Resumption of Operations**

We will reduce the amount of your:

- (1) "Business Income" loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available
  - (a) Source of materials; or
  - (b) Outlet for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

**d. Definitions**

**SECTION G. DEFINITIONS** is amended to include the following definitions:

- (1) "Dependent property" means property operated by others whom you depend on to:
  - (a) Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:
    - 1) Water Supply services;
    - 2) Power Supply services; or
    - 3) Communication supply services, including services relating to internet access or access to any electronic network;

(b) Accept your products or services;

(c) Manufacture products for delivery to your customers under contract of sale; or

(d) Attract customers to your business.

- (2) The "Period of restoration" Definition, with respect to "dependent property", is replaced by the following:

"Period of restoration" means the period of time that:

- (a) Begins 24 hours after the time of direct "loss" caused by or resulting from any Covered Cause of Loss at the "premises" of the "dependent property"; and
- (b) Ends on the date when the property at the "premises" of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this Coverage Part will not cut short the "period of restoration".

The most we will pay is the **Business Income From Dependent Properties** sub-limit of insurance. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

**2. Interruption of Computer Operations**

- a. For **Interruption of Computer Operations** only, all references to \$2,500 in **b. Business Income and Extra**

**Expense**, Paragraph (7)(c) are deleted and replaced by \$25,000.

- b. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended as follows:

With respect to a "suspension" of "operations" caused only by an interruption in computer operations due to the destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, Paragraph a. of Definition 11. "Period of restoration" is deleted and replaced by the following:

- a. Begins 24 hours after the time of direct "loss".

### 3. **Business Income and Extra Expense Revised Limits of Insurance**

The last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$100,000.

## C. **Electronic Data Processing Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended by adding the following:

### **Electronic Data Processing Property**

#### (1) **Covered Property**

You may extend the Coverage provided by this Coverage Part to apply to direct "loss" to Covered Property consisting of your:

- (a) Data processing equipment;
- (b) Air conditioning and other electrical equipment, used exclusively with your data processing equipment;
- (c) Programming documentation and instruction manuals;
- (d) "Electronic data", but only as excess over what is valid and collectible under **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**;
- (e) Media, meaning materials on which "electronic data" is recorded, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and

compact discs used in processing units; and

- (f) Property of others in your care, custody or control that is similar to property described in (1)(a) through (e) above.

#### (2) **Property Not Covered**

This Coverage Extension does not apply to:

- (a) Accounts, records, documents and other "valuable papers and records" unless they are programming documentation or instruction manuals.

However, we will cover these items once they are converted to "electronic data" form.

- (b) "Electronic data" or media that cannot be replaced with similar property of equal quality.
- (c) Your property that you have rented or leased to someone else and that property is not at your "premises".
- (d) Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- (e) "Production equipment".

#### (3) **Exclusions**

- (a) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

- 1) **Exclusion (1)(c) Governmental Action**;
- 2) **Exclusion (1)(d) Nuclear Hazard**;
- 3) **Exclusion (1)(f) War and Military Action**;
- 4) **Exclusion (2)(b) Delay or Loss of Use**;
- 5) **Exclusion (2)(d) Miscellaneous Causes of Loss, 1) Wear and tear**;
- 6) **Exclusion (2)(h) Dishonest or Criminal Acts**;
- 7) **Exclusion (3)(b) Acts or Decisions**; and
- 8) **Exclusion (3)(c) Defects, Errors and Omissions**.



- (b) In addition to Paragraph (3)(a) of this Coverage Extension, we will not pay for the following:

Hidden or latent defect, gradual deterioration, and depreciation. However, if direct "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss".

**(4) Duplicate and Backup "Electronic Data"**

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to duplicate and backup "electronic data" that you store at a "premises" not described in the Declarations providing such "electronic data" is not covered by another policy. The most we will pay for loss in any one occurrence is \$2,000. This Limit of Insurance is in addition to the other limits provided by this Coverage Extension.

**(5) Newly Purchased Electronic Data Processing Property**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is deleted in its entirety and replaced by the following:

- (a) We will pay for direct "loss" from a Covered Cause of Loss to newly purchased or leased Covered Property described in Paragraph (1) of this Coverage Extension while at:

- 1) Locations that are newly purchased or leased;
- 2) Your newly constructed buildings or additions at a "premises"; or
- 3) Any "premises" described in the Declarations.

- (b) Insurance under this Coverage Extension for such newly acquired property, or Covered Property already insured by this Coverage Extension which is moved to a newly acquired location, will end when any of the following first occurs:

- 1) This Coverage Part expires;
- 2) 90 days pass from the date you acquire your new property or move Covered Property to a newly acquired location; or
- 3) You report values to us.

The most we will pay for loss in any one occurrence is \$10,000. This Limit of Insur-

ance is in addition to the other limits provided by this Coverage Extension.

**(6) In Transit or Away From Premises**

**SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs or Trade shows, m. Property Off Premises and p. Transportation** are deleted in their entirety and replaced by the following:

- (a) You may extend the insurance provided by this Coverage Extension to apply to Covered Property as described in Paragraph (1):

- 1) While in or on a vehicle, including loading and unloading; or
- 2) While at a location that is not your "premises".

- (b) This **In Transit or Away From Premises** coverage does not apply per location.

The most we will pay for loss in any one occurrence is \$10,000. This Limit of Insurance is not in addition to the other limits provided by this Coverage Extension.

**(7) Worldwide Laptop Coverage**

- (a) You may extend the insurance provided by this Coverage Extension to apply to your laptops, notebooks and similar highly portable personal computers, including their peripherals and accessories, while such specific Covered Property is:

- 1) In your or your employee's care, custody and control;
- 2) Not located at a "premises" you own or lease; and
- 3) Not located in the coverage territory stated in Paragraph 2. of the Commercial Property Condition **H. Policy Period, Coverage Territory**, provided that location is not under a United States Department of State trade or travel restriction at the time of "loss".

- (b) This **Worldwide Laptop Coverage** does not apply per location.

**(8) Electronic Data Processing Property Deductible**

**SECTION C. DEDUCTIBLE** is amended to include the following:

We will not pay for direct "loss" in any one occurrence unless the amount of "loss" exceeds the Deductible shown in the Declarations. We will then pay the amount of

"loss" in excess of the Deductible, up to the Limit of Insurance provided by this Coverage Extension.

However, direct "loss" caused by or resulting from any of the following Causes of Loss will have the greater of the Deductible shown in the Declarations or \$1,000 as the applicable deductible:

- a. "Loss" caused by faulty construction, error in design or processing, or service or work upon the data processing system;
- b. "Loss" resulting in mechanical breakdown, short circuiting, blowout, or other electrical damage, unless caused by lightning; or
- c. "Loss" caused by or resulting from interruption of power supply, power surge, blackout or brownout.

**(9) Electronic Data Processing Property Valuation**

**SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

**7. Valuation of Electronic Data Processing Property**

In the event of direct "loss", we will determine the value of Covered Property as described in Paragraph (1) of this Coverage Extension as follows:

- a. Except for "electronic data":
  - (1) If you repair or replace this Electronic Data Processing property within a reasonable time following the direct "loss", the property will be valued at the full cost of repair or replacement.

However, the most we will pay is the least of the following:

  - (a) The actual cost to repair or restore the property with materials of like kind and quality;
  - (b) The cost of replacing that property with property of similar quality and function;
  - (c) The amount you actually and necessarily spend to repair or replace the property; or

(d) The Limit of Insurance applicable to the property.

- (2) If you do not repair or replace this property within a reasonable time following a direct "loss", the most we will pay will be the least of the following:

- (a) "Actual cash value" of the property;
- (b) "Actual cash value" of repairs with material of like kind and quality; or
- (c) The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in money.

In the event of "loss", the value of property will be determined at the time of direct "loss".

- b. For "electronic data":

We will not pay more than the actual reproduction costs of your "electronic data". If you do not replace or reproduce your "electronic data" following the "loss", the most we will pay is the cost of blank media as described in Paragraph C.(1)(e) of this Coverage Extension.

**(10) Electronic Data Processing Property Additional Definition**

The following definition is added to **SECTION G. DEFINITIONS** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

"Production equipment" means any machinery and related components, including any integrated or dedicated computer system, which is used, or can be used, to produce or process other tangible property.

The most we will pay in total for all loss in any one occurrence for coverages described in Paragraphs C.(1), (6), and (7) is the Blanket Coverage Limit as provided in Section X of this endorsement.

**D. Fine Arts**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY**

**COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Fine Arts**

- (1) We will pay for direct "loss" to paintings, etchings, pictures, tapestries, art glass windows, and other bona fide works of art of rarity, historical value, or artistic merit. The direct "loss" must be caused by or result from a Covered Cause of Loss.
- (2) **SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

We will determine the value of Covered Property in the event of direct "loss" at the market value at the time of "loss".

The most we will pay for loss in any one occurrence under this Coverage Extension is \$25,000.

**E. Ordinance or Law**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under Paragraph (a) **Loss of Use of Undamaged Parts of the Building** is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure sustaining direct "loss". This Coverage is included within, and not in addition to, that applicable Limit of Insurance.

The most we will pay for all loss in any one occurrence under Paragraph (b) **Demolition Costs** and Paragraph (c) **Increased Costs of Construction** is the Blanket Coverage Limit as provided in Section X of this endorsement per building or structure sustaining direct "loss". This is an additional Limit of Insurance applicable to the building or structure sustaining loss.

**F. Pollutant Clean Up and Removal**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, h. Pollutant Clean Up and Removal**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for each "premises" under this Pollutant Clean Up and Removal Coverage Extension is \$25,000. This limit includes the sum of all covered expenses arising out of

Covered Causes of Loss during each "coverage term". This is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

**G. Underground Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Underground Property**

- (1) We will pay for direct "loss" resulting from any of the Covered Causes of Loss to:
  - (a) Foundations of covered buildings, structures, machinery or boilers, if their foundations are below the lowest basement floor or the surface of the ground if there is no basement; and
  - (b) Underground pipes, flues or drains if they are attached to Covered Property.
- (2) **SECTION A. COVERAGE, 2. Property Not Covered, g. Foundations** is deleted in its entirety and replaced by the following:

**g. Foundations**

Foundations of buildings, structures, machinery or boilers, if their foundations are below:

- (1) The lowest basement floor; or
- (2) The surface of the ground, if there is no basement;

except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

- (3) **SECTION A. COVERAGE, 2. Property Not Covered, n. Underground Pipes, Flues or Drains** is deleted in its entirety and replaced by the following:

**n. Underground Pipes, Flues or Drains**

Underground pipes, flues or drains, except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

The most we will pay for loss in any one occurrence is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure incurring direct "loss". This Coverage is included within, and

not in addition to, that applicable Limit of Insurance.

#### H. Valuable Papers and Records

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the second paragraph in **(4)(b) Away From Your Premises** is deleted in its entirety and replaced by the following:

This limit of insurance for **Away From Your Premises** coverage is not included within the Blanket Coverage Limit and is separate and in addition to the Blanket Coverage Limit.

2. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Valuable Papers and Records Coverage Extension is the Blanket Coverage Limit as provided in Section **X** of this endorsement.

#### I. Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems

For the purposes of this endorsement only:

- (1) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water**, Paragraph 3) is deleted in its entirety and replaced by the following:

- 3) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**, water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; or

- (2) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water**, Paragraph 5) is deleted in its entirety and replaced by the following:

- 5) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**, waterborne

material carried or otherwise moved by any of the water referred to in Paragraph 1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

- (3) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

#### **Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will pay for "loss" caused by or resulting from water or waterborne material that has entered and then backs up through and is discharged from a sewer, drain (including roof drains and related fixtures), septic system, sump pump system or related equipment.

- (4) **SECTION C. DEDUCTIBLE** is amended by adding the following:

#### **Water Backup Deductible**

We will not pay for "loss" in any one occurrence caused by or resulting from water or waterborne material which backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment, until the amount of "loss" exceeds the Deductible shown in the Declarations, or \$1,000, whichever is greater. We will then pay the amount of "loss" in excess of that deductible, up to the applicable limit indicated in Paragraph (5) of this Coverage Extension.

- (5) The most we will pay for loss in any one occurrence under this Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems Coverage Extension is \$10,000, including any "Business Income", "Rental Value" and Extra Expense loss.

#### J. Fire Department Service Charge

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, c. Fire Department Service Charge** is deleted in its entirety and replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 in any one occurrence for Fire Department Service Charge for your liability, which is determined prior to direct "loss", for fire department service charges:

- (1) Assumed by contract or agreement; or



**(2) Required by local ordinance.**

This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** and applies per location. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

**K. Signs**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, n. Signs**, the second paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Sign Coverage Extension is \$10,000.

**L. Outdoor Property**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, k. Outdoor Property**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Outdoor Property Coverage Extension is \$25,000, but not more than \$1,000 for any one tree, shrub, or plant.

**M. Personal Effects**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Personal Effects**, the last two paragraphs are deleted in their entirety and replaced by the following:

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Personal Effects Coverage Extension has a \$1,000 per occurrence limitation for direct "loss" by theft.

The most we will pay for loss in any one occurrence under this Personal Effects Coverage Extension is \$25,000.

**N. Tenant Move Back Expenses**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Tenant Move Back Expenses**

(1) We will reimburse you for expenses you pay for Covered Move Back Costs of your

tenants who temporarily vacate a portion of the building at a "premises". The vacancy must have occurred while the portion of the building rented by your tenant could not be occupied due to direct "loss" to your Covered Property caused by or resulting from a Covered Cause of Loss during the "coverage term". The move back must be completed within 60 calendar days after the portion of the building rented by your tenant has been repaired or rebuilt and is ready for occupancy.

(2) Covered Move Back Costs means only documented, reasonable and necessary costs of:

- (a) Packing, insuring and transporting business personal property;
- (b) Re-establishing electric utility and communication services, less refunds from discontinued services;
- (c) Assembling and setting up fixtures and equipment; or
- (d) Unpacking and re-shelving stock and supplies.

(3) If your tenants have valid and collectible insurance for Covered Move Back Costs, we will pay only for the amount of Covered Move Back Costs in excess of the amount payable from such other insurance.

The most we will pay for loss in any one occurrence under this Tenant Move Back Expenses Coverage Extension is the Blanket Coverage Limit as provided in Section **X** of this endorsement.

**O. Peak Season**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Peak Season**

1. In the event that the limit of insurance stated in the Declarations for Business Personal Property is insufficient to fully insure a covered "loss" due to a Peak Season Demand for your inventory, we will pay up to the Blanket Coverage Limit as provided in Section **X** of this endorsement.
2. Peak Season Demand means a temporary (90 consecutive days or less) increase in your inventory to meet a seasonal demand as verified by:
  - a. Your previous inventory records for that historical period of time; and
  - b. Custom and practice in your industry.

**P. Personal Property of Others**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Personal Property of Others**

In the event that the limit of insurance stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for Business Personal Property is insufficient to fully insure a covered "loss" to both your Covered Personal Property and property described in Paragraph (8) of **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**, we will pay up to the Blanket Coverage Limit in any one occurrence as provided in Section **X** of this endorsement for such property.

**Q. Debris Removal**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

In the event that the limits of insurance stated in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** are insufficient to fully cover a "loss" insured thereunder, we will pay up to the Blanket Coverage Limit in any one occurrence as provided in Section **X** of this endorsement.

**R. Fire Protection Equipment Recharge**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, d. Fire Protection Equipment Recharge**, the last paragraph is deleted and replaced by the following:

The most we will pay for loss in any one occurrence under this Fire Protection Equipment Recharge Coverage Extension is \$50,000. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

**S. Paved Surfaces**

For the purposes of this endorsement only:

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered, i. Paved Surfaces** is deleted in its entirety and replaced by the following:

Except as provided in **4. Additional Coverages, Paved Surfaces**, bridges, road-

ways, walks, patios or other paved surfaces.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

**Paved Surfaces**

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to bridges, roadways, walks, patios or other paved surfaces.

The most we will pay for loss in any one occurrence under this Paved Surfaces Coverage Extension is \$25,000.

**T. Temperature Change**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Temperature Change****(1) Coverage**

- (a) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property** is deleted in its entirety and replaced by the following:

Covered Property means "perishable stock" located in a building at a "premises".

- (b) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is deleted in its entirety and replaced by the following:

Covered Property does not include:

**"Perishable Stock" Not in Buildings**

"Perishable stock" located on buildings, in or on vehicles, or otherwise in the open.

**(2) Covered Causes of Loss**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

Covered Causes of Loss means direct "loss" from "temperature change" to Covered Property unless "loss" is

excluded or limited in this Coverage Part.

### (3) Excluded Causes of Loss

(a) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (1) **Exclusion (1)(b) Earth Movement;**
- (2) **Exclusion (1)(c) Governmental Action;**
- (3) **Exclusion (1)(d) Nuclear Hazard;**
- (4) **Exclusion (1)(f) War and Military Action;**
- (5) **Exclusion (1)(g) Water; or**
- (6) **Exclusion (1)(h) "Fungi", Wet Rot, Dry Rot, and Bacteria.**

(b) In addition to Paragraph (3)(a) of this Coverage Extension, we will not pay for direct "loss" caused by or resulting from any of the following:

- 1) The disconnecting of any heating, refrigerating, cooling or humidity control system from the source of its power;
- 2) The deactivation of electrical power caused by the manipulation of any switch or other device (on "premises") used to control the flow of electrical power or current;
- 3) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - a) Lack of fuel; or
  - b) Governmental order;
- 4) The inability of a power source at the "premises" to provide sufficient power due to the lack of generating capacity to meet demand; or
- 5) Breaking of any glass that is a permanent part of any heating, refrigeration, cooling or humidity control unit.

### (4) Limits of Insurance

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION B. LIMITS**

**OF INSURANCE** is deleted in its entirety and replaced by the following:

### SECTION B. LIMITS OF INSURANCE

- a. The most we will pay for all direct "loss" in any one occurrence under this Temperature Change Coverage Extension is \$5,000, including any "Business Income", "Rental Value", and Extra Expense loss.
- b. The Limit of Insurance for Temperature Change is not an additional amount of insurance and will not increase the Limit of Insurance shown in the Declarations for Business Personal Property or "stock".

### (5) Duties in the Event of Loss

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 3. Duties in the Event of Loss or Damage, a.(2)** is deleted in its entirety and replaced by the following:

- (2) All claims under this Temperature Change Coverage Extension should be reported immediately upon occurrence. Include a description of the damaged "perishable stock". All damaged "perishable stock" must be available for inspection and verification.

### (6) Coinsurance

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to the coverage provided by this endorsement.

### (7) Definitions

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

"Perishable stock" means personal property:

- a. Preserved and maintained under controlled conditions; and
- b. Susceptible to "loss" if the controlled conditions change.

"Temperature change" means:

- a. The fluctuation or total interruption of electrical power, either on or off "premises", resulting from conditions beyond your control.
- b. Mechanical breakdown or mechanical failure of any refrigerating or cooling

apparatus or equipment (on "premises") including the blowing of any fuse, fuses, or circuit breakers, only while such equipment is at the "premises".

- c. Contamination by refrigerant.
- d. Damage due to the freezing of "perishable stock" that is not meant to be frozen resulting from the faulty operation of any stationary heating plant, when such "perishable stock" is contained within a building at the "premises".

#### U. Nonowned Building Damage

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, j. Nonowned Building Damage** is deleted in its entirety and replaced by the following:

If you are a tenant, you may extend the insurance provided by this Coverage Part for Business Personal Property to direct "loss" that occurs to the building at a "premises" you occupy but do not own.

This Coverage Extension applies only if your lease makes you legally responsible for that part of the building sustaining "loss".

This Coverage Extension does not apply to:

- (1) Glass, including lettering and ornamentation, and also necessary:
  - (a) Repair or replacement of encasing frames or alarm tapes; and
  - (b) Expenses incurred to board up openings or remove or replace obstruction.
- (2) Building materials and equipment removed from the "premises".

The most we will pay for loss in any one occurrence under this Nonowned Building Damage Coverage Extension is:

- (1) The actual "loss" sustained up to the applicable Limit of Insurance for Business Personal Property for direct "loss" caused by theft, burglary or robbery, or the attempt of the foregoing; or
- (2) The applicable Limit of Insurance for Business Personal Property or \$25,000; whichever is less, for "loss" caused by any

other Covered Cause of Loss, not referenced in Paragraph **U.(1)** above.

#### V. Inflation Guard

For the purposes of this endorsement only, the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** is amended to show 4% for Inflation Guard in the OPTIONAL COVERAGES - Inflation Guard column for each scheduled Building Property. If an Inflation Guard percentage is already indicated on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for that Building property, this percentage is excess of that Inflation Guard percentage for that Building property.

#### W. Brands and Labels

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

##### Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:

- (1) Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.

The most we will pay for loss in any one occurrence under this Brands and Labels Coverage Extension is \$25,000.

#### X. Blanket Coverage Limit

We will pay up to the Limit of Insurance stated in the Schedule of this endorsement in total in any one occurrence for the sum of all "loss" insured under coverages provided in this endorsement which are subject to the Blanket Coverage Limit. You may apportion this Limit among these coverages as you choose.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EQUIPMENT BREAKDOWN COVERAGE**  
**(Excluding Production Machinery)**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM**

**A. COVERAGE**

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE** is amended by adding the following:

We will pay for direct damage to Covered Property caused by or resulting from an "accident" at the "premises".

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is amended by:

- a. Adding the following to (1)(e) **Utility Services**, (1)(g) **Water** 1), (2)(a) **Electrical Current**, (2)(d) **Miscellaneous Causes of Loss**, (2)(j) **Exposure to Weather**, (3)(a) **Weather Conditions**, (3)(b) **Acts or Decisions**, and (3)(c) **Defects, Errors, and Omissions**:

However, this exclusion does not apply if these causes of loss are caused by, or result from, an "accident" to Covered Property at the "premises".

- b. Deleting in its entirety (2)(e) **Explosion of Steam Apparatus**.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations** is amended:

- a. By deleting in its entirety:

- (1) (1)(a) **Steam Apparatus**; and  
(2) (1)(b) **Hot Water Boilers**,

- b. And by adding the following:

The following limitations apply only to "loss" covered by this endorsement. The sublimits provided in Paragraphs (1), (2) and (3) below are included within, and are not in addition to, the Limit of Insurance shown in the Declarations as applicable to the Covered Property. These limits, or the applicable Limit of Insurance shown in the Declarations as applicable to the Covered Property, whichever is less,

apply. These limits apply to direct damage only.

- (1) **Ammonia Contamination Limitation**

If Covered Property is contaminated by ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for this kind of damage, including salvage expense, is \$50,000 per location.

- (2) **Data, Media and Software Restoration**

If "electronic data" is destroyed or corrupted as a result of an "accident" to covered equipment, the most we will pay for the expenses incurred by you for the restoration of that "electronic data" is \$50,000 for all loss sustained in the "coverage term", regardless of the number of "accidents" or the number of "premises" involved.

- (3) **"Hazardous Substance" Limitation**

The following applies despite the operation of the Ordinance or Law Exclusion.

If Covered Property is damaged, contaminated or polluted by a "hazardous substance" as a result of an "accident" to Covered Property at the "premises", the most we will pay for any additional expenses incurred by you for clean up, repair, replacement or disposal of that property is \$50,000. As used here, additional expenses mean expenses incurred beyond those for which we would be liable if no "hazardous substance" had been involved.

**B. Additional Coverages**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION**

**A. COVERAGE, 4. Additional Coverages** is amended as follows:

1. The first paragraph is deleted in its entirety and replaced with the following:

All other terms and conditions of this Coverage Part, including Limits of Insurance and deductibles, apply to these Additional Coverages.

2. The following is added:

**a. Drying Out**

If electrical equipment included in Covered Property requires "drying out" as a result of a "flood", the reasonable expense incurred for the "drying out" will be covered. This Additional Coverage is included within the Limit of Insurance shown in the Declarations as applicable to the Covered Property.

**b. Expediting Expenses**

With respect to "loss" covered by this endorsement, and with respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (1) Make temporary repairs;
- (2) Expedite permanent repairs; and
- (3) Expedite permanent replacement.

**c. Non-Owned Utility Service Equipment**

We will pay for indirect loss resulting from an "accident" to non-owned utility equipment described in **E. Definitions, 1.a.(6)** but we will not pay for any expense to repair or replace direct damage to non-owned utility equipment that:

- (1) You do not own, lease or rent, or
- (2) That is not in your care custody and control.

This Additional Coverage is included within the Limit of Insurance shown in the Declarations as applicable to the Covered Property.

**C. Deductible**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended by adding the following:

The deductible applicable to "loss" covered by this endorsement is \$500, or the deductible indicated in the Declarations as being applicable

to the lost or damaged Covered Property, whichever is greater.

**D. Conditions**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended by adding the following:

**1. Suspension**

Whenever any covered equipment is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against "loss" from an "accident" to that covered equipment. This can be done by delivering or mailing a written notice of suspension to:

- a. Your last known address; or
- b. The address where the covered equipment is located.

Once suspended in this way, your insurance can be reinstated only by written notice from us.

If we suspend your insurance, you will get a pro rata refund of premium for that covered equipment. However, the suspension will be effective even if we have not yet made or offered a refund.

**2. Inspection**

If any Covered Property requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf.

**E. Definitions**

For the purposes of the coverages in this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended by adding the following:

1. a. "Accident" means a sudden and accidental breakdown of the following covered equipment:

- (1) Any boiler;
- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents;
- (3) Any piping and its accessory equipment;
- (4) Any refrigeration or air conditioning system; or

- (5) Any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power.
  - (6) Equipment of a type described in definition a.(1) through (5) above which you do not own, lease or rent and is not in your care, custody or control that is on or within one mile of a covered "location", and is supplying you with electricity, gas, water, steam, heat, refrigeration, air conditioning or communication services.
- At the time the breakdown occurs, it must become apparent by physical damage that requires repair or replacement of the covered equipment or part thereof.
- b. None of the following is an "accident":
    - (1) Depletion, deterioration, corrosion or erosion, wear and tear;
    - (2) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
    - (3) The functioning of any safety or protective device; or
    - (4) The breakdown of any structure or foundation.
  - c. None of the following are covered equipment:
    - (1) Any sewer piping, underground gas piping, or piping forming a part of a sprinkler system;
    - (2) Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigeration or air conditioning system;
    - (3) Insulating or refractory material;
    - (4) Vehicle, elevator, escalator, conveyor, hoist or crane;
    - (5) Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, nonmetallic part, or any part or tool subject to periodic replacement; or
    - (6) "Production Machinery".
  - d. If a strike, riot, civil commotion, act of sabotage or vandalism results in an "accident", this insurance applies. However, the War and Military Action Exclusion and the conditions of this Coverage Part still apply.

- 2. **"Drying out"** means restoration of electrical equipment to service following a "flood" by removal of excess moisture from that equipment including:
  - a. Application of heat or controlled electrical current, circulation of air, or use of dehumidification equipment, after rinsing the electrical equipment with clean fresh water if necessary to flush away "flood" debris;
  - b. "Drying out" can be done in place or equipment can be disconnected and removed to a repair facility for drying if necessary.
  - c. "Drying out" does not include or apply to:
    - (1) Replacement or repair of any electrical equipment or parts thereof; or
    - (2) Any expense related to deconstruction, demolition, or reconstruction of any building component, structure or part thereof to gain access to electrical equipment.
- 3. **"Flood"** means a general and temporary condition of partial or complete inundation of normally dry land areas due to:
  - a. The overflow of inland or tidal waters;
  - b. The unusual or rapid accumulation or runoff of surface waters from any source; or
  - c. Mudslides or mudflows, which are caused by flooding as defined above in Paragraph 3.b. For the purpose of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

All flooding in a continuous or protracted event will constitute a single "flood".
- 4. **"Hazardous Substance"** means a substance declared to be hazardous to health by a governmental agency.
- 5. **"Production Machinery"** means:
  - a. Production or process machine or apparatus that processes, forms, cuts, shapes grinds or conveys raw material, material in process or finished products, and the computers and their peripherals that control or operate such a machine or apparatus.
  - b. Machine or apparatus used for research, medical, diagnostic, surgical, dental or pathological purposes, and computers and their peripherals that control or operate such a machine or apparatus.

# BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION F. DEFINITIONS**.

## SECTION A. COVERAGE

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- a. "Business Income" including "Rental Value".
- b. "Business Income" other than "Rental Value".
- c. "Rental Value".

If option **a.** above is selected, the term "Business Income" will include "Rental Value". If option **c.** above is selected, the term "Business Income" will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

### 1. Business Income

- a. We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at "premises" which are described in the Declarations and for which a "Business Income" Limit of Insurance is shown in the Declarations. The "loss" must be caused by or result from a Covered Cause of Loss. With respect to "loss" to personal property in the open (or personal property in a vehicle or portable storage unit), the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.
- b. With respect to the requirements set forth in the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purposes of this Coverage Part only, your "premises" is the portion of the building which you rent, lease or occupy, including:
  - (1) Any area within the building or on the site at which the "premises" are lo-

cated if that area services or is used to gain access to the described "premises".

- (2) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.

### 2. Extra Expense

- a. Extra Expense coverage is provided at the "premises" described in the Declarations only if the Declarations show that "Business Income" coverage applies at that "premises".
- b. Extra Expense means necessary expenses you sustain (as described in Paragraphs **2.c.**, **d.** and **e.**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- c. If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **2.d.**) to:
  - (1) Avoid or minimize the "suspension" of business and to continue "operations" either:
    - (a) At the "premises"; or
    - (b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
  - (2) Minimize the "suspension" of business if you cannot continue "operations".
- d. We will also pay expenses to:
  - (1) Repair or replace property; or



- (2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal "operations", the amount we will pay under this Coverage Form will be reduced by the salvage value of that property.

- e. Extra Expense as described in Paragraphs **2.a.** thru **2.d.** does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

### 3. Covered Causes of Loss

See **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss**.

### 4. Limitation for Electronic Data

- a. Coverage for "Business Income" does not apply when a "suspension" of "operations" is caused by destruction or corruption of "electronic data", or any "loss" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of "electronic data", or any "loss" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- c. This Limitation does not apply when "loss" to "electronic data" involves only "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

### 5. Additional Coverages

The Additional Coverages in Paragraphs **5.a.** through **5.e.** are included within and not additional "Business Income" and Extra Expense Limits of Insurance.

#### a. Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain due to direct "loss" at the "premises" caused by or re-

sulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
  - (a) Used in the construction, alterations or additions; or
  - (b) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

#### b. Civil Authority

When a Covered Cause of Loss causes direct damage to property other than Covered Property at the "premises", we will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority coverage for "Business Income" will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will apply for a period of up to 30 consecutive days from the date on which such coverage began.

Civil Authority coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will end 30 consecutive days after the date of that action; or when your Civil Authority coverage for "Business income" coverage ends, whichever is later.

**c. Extended Business Income****(1) "Business Income" Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Business Income" "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain during the period that:

- (a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b)** Ends on the earlier of:
  - (i)** The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed if no direct "loss" had occurred; or
  - (ii)** 60 consecutive days after the date determined in **c.(1)(a)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

**(2) "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you sustain during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
  - (i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or

- (ii)** 60 consecutive days after the date determined in **c.(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the described "premises" caused by or resulting from any Covered Cause of Loss.

**d. Interruption of Computer Operations**

- (1)** Subject to all provisions of this Additional Coverage - **Interruption of Computer Operations**, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" due to a Covered Cause of Loss. This Additional Coverage - **Interruption of Computer Operations** does not apply when "loss" to "electronic data" only involves "loss" to "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2)** The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (3)** The most we will pay under this Additional Coverage - **Interruption of Computer Operations** is \$2,500 for all "loss" sustained and expense sustained in any "coverage term", regardless of the number of interruptions or the number of "premises", locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this

amount, then the balance is available for "loss" or expense sustained as a result of subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not increase the amount of insurance in the next "coverage term". With respect to any interruption which begins in one "coverage term" and continues or results in additional "loss" or expense in that subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

- (4) This Additional Coverage - **Interruption in Computer Operations** does not apply to "loss" sustained or expense sustained after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **d.(3)** of this Additional Coverage has not been exhausted.

#### e. Ingress and Egress

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by the prevention of existing ingress or egress at a "premises" shown in the Declarations due to direct "loss" by a Covered Cause of Loss at a location contiguous to such "premises". However, coverage does not apply if ingress or egress from the "premises" is prohibited by civil authority.

Ingress and egress coverage for "Business Income" will begin immediately after the time of the direct "loss" and will continue for a period up to 30 consecutive days.

Ingress and egress coverage for Extra Expense will begin at time of the direct "loss" and will continue for 30 consecutive days or whenever your Ingress and Egress "business income" coverage ends, whichever occurs first.

#### 6. Coverage Extension

The limit applicable to the Coverage Extension is in addition to the Limit of Insurance. **SECTION D. ADDITIONAL CONDITION, 1. Coinsurance** does not apply to this Coverage Extension.

##### Newly Purchased or Leased Locations

- a. You may extend your "Business Income" and Extra Expense coverages to apply to property located at:
- (1) New buildings or additions while being built on a "premises";

- (2) Buildings you newly purchase or become required to insure by written contract; or
- (3) Leased buildings or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

This does not apply to property situated at trade shows, fairs or exhibitions.

- b. The most we will pay in total for "Business Income" and Extra Expense "loss" under this Coverage Extension is \$100,000 at each location described in Paragraph **6.a**.
- c. Insurance under this Coverage Extension will end when any of the following first occurs:
- (1) This policy expires;
- (2) 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (3) 90 days pass from the date you purchase, lease, or become contractually required to insure property described in Paragraphs **6.a.(2)** and **(3)**; or
- (4) You report values to us when you acquire your new building or business personal property.

We will charge you additional premium for values reported from the date you purchase or lease the property or begin construction on that part of the building that would qualify as Covered Property.

#### SECTION B. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

#### SECTION C. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

##### 1. Appraisal

If we and you disagree on the amount of "Business Income" or Extra Expense "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separate-



ly the amount of "Business Income" or Extra Expense "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

## 2. Duties in the Event of Loss

- a. You must see that the following are done in the event you have a "Business Income" or Extra Expense "loss":

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct "loss". Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the direct "loss" occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of

your "operations" as quickly as possible.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

## 3. Loss Determination

- a. The amount of "Business Income" "loss" will be determined based on:

- (1) The Net Income of the business before the direct "loss" occurred;
- (2) The likely Net Income of the business if no direct "loss" had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
- (4) Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - (b) Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been sustained by "operations" during the "period of restoration" if no direct "loss" had occurred. We will deduct from the total of such expenses:
  - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
  - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and



- (2) Necessary expenses that reduce the "Business Income" "loss" that otherwise would have been incurred.

**c. Resumption of Operations**

We will reduce the amount of your:

- (1) "Business Income" "loss", other than Extra Expense to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the "premises" or elsewhere.
- (2) Extra Expense "loss" to the extent you can return "operations" to normal and discontinue such Extra Expense.

- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**4. Loss Payment**

We will pay for insured "loss" within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of "loss"; or
- b. An appraisal award has been made.

**SECTION D. ADDITIONAL CONDITION**

**1. Coinurance**

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

We will not pay the full amount of any "Business Income" "loss" if the Limit of Insurance for "Business Income" is less than:

- a. The Coinsurance percentage shown for "Business Income" in the Declarations; times
- b. The sum of:
- (1) The Net Income (Net Profit or Loss before income taxes), and
- (2) Operating expenses, including payroll expenses,

that would have been earned or incurred (had no direct "loss" occurred) by your "operations" at the "premises" for the 12 months following the inception, or last previous anniversary date, of this Coverage Part (whichever is later).

Instead, we will determine the most we will pay using the following steps:

1. Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this Coverage Part by the Coinsurance percentage;
2. Divide the Limit of Insurance for the described "premises" by the figure determined in Step 1.; and
3. Multiply the total amount of "loss" by the figure determined in Step 2.

We will pay the amount determined in Step 3. or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

1. Prepaid freight - outgoing;
2. Returns and allowances;
3. Discounts;
4. Bad debts;
5. Collection expenses;
6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);
8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
11. All payroll expenses or the amount of payroll expense excluded (if Form **FA 465** is attached); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

**Example No. 1 (Underinsurance):**

When: The Net Income and operating expenses for the 12 months follow-

ing the inception, or last previous anniversary date of this Coverage Part at "premises" would have been \$400,000.

The Coinsurance percentage is 50%  
 The Limit of Insurance Is \$150,000  
 "Business Income" "loss" is \$80,000

Step 1:  $\$400,000 \times 50\% = \$200,000$   
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step 2:  $\$150,000 \div \$200,000 = .75$

Step 3:  $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

#### **Example No. 2 (Adequate Insurance):**

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date of this Coverage Part at the "premises" would have been \$400,000.

The Coinsurance percentage is 50%  
 The Limit of Insurance Is \$200,000  
 "Business Income" "loss" is \$80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ( $\$400,000 \times 50\%$ ). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of "loss").

This condition does not apply to Extra Expense.

### **SECTION E. OPTIONAL COVERAGES**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

#### **1. Maximum Period of Indemnity**

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay in total for "Business Income" and Extra Expense "loss" is the lesser of:

- (1) The amount of "Business Income" and Extra Expense "loss" sustained during the 120 days immediately following the beginning of the "period of restoration"; or

- (2) The Limit of Insurance shown in the Declarations.

#### **2. Monthly Limit of Indemnity**

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay for "Business Income" "loss" in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- (1) The Limit of Insurance; multiplied by
- (2) The fraction shown in the Declarations for this Optional Coverage.

#### **Example:**

When: The "Business Income" Limit of Insurance is \$120,000

The fraction shown in the Declarations for this Optional Coverage is 1/4

The most we will pay for "loss" in each period of 30 consecutive days is:  $\$120,000 \times 1/4 = \$30,000$ .

If, in this example, the actual amount of "Business Income" "loss" is:

Days	1-30	\$40,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$90,000</u>

We will pay:

Days	1-30	\$30,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$80,000</u>

The remaining \$10,000 is not covered.

#### **3. Business Income Agreed Value**

a. To activate this Optional Coverage:

(1) A Business Income Report/Work Sheet must be on file with the Company and must show financial data for your "operations":

(a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies. The "Business Income" Limit of Insurance indicated on the Declarations should

be at least equal to the Agreed Value, which is determined by:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and Operating Expenses for the following 12 months you report on the Work Sheet.

b. Except as noted in c. below, the **ADDITIONAL CONDITION Coinsurance** is suspended until the expiration date of this Coverage Part.

c. We will reinstate the **ADDITIONAL CONDITION Coinsurance** automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) When you request a change in your "Business Income" Limit of Insurance; or
- (2) When you request the coinsurance percentage be changed on the Work Sheet.

d. If the "Business Income" Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The "Business Income" Limit of Insurance; divided by
- (2) The Agreed Value.

#### **Example:**

When: The Limit of Insurance is \$100,000

The Agreed Value is \$200,000

"Business Income" "loss" is \$80,000

Step (a):  $\$100,000 \div \$200,000 = .50$

Step (b):  $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

#### **4. Extended Period of Indemnity**

In **SECTION A. COVERAGE, 5. Additional Coverages, c. Extended Business Income**, the number "60" in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

#### **SECTION F. DEFINITIONS**

1. "Business Income" means the:

- a. Net income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

b. Continuing normal operating expenses sustained, including payroll.

2. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

3. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or
- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

4. "Electronic data" means information, facts or "computer programs" stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.

5. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a coinsurance percentage shown for "Business Income" in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.

6. "Loss" means accidental physical loss or accidental physical damage.
7. "Operations" means:
  - a. Your business activities occurring at the "premises"; and
  - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
8. "Period of restoration" means the period of time that:
  - a. Begins at the time of direct "loss".
  - b. Ends on the earlier of:
    - (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (2) The date when business is resumed at a new permanent location.
  - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
    - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
    - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
  - d. The expiration date of the Coverage Part will not cut short the "period of restoration".
9. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
  - a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
10. "Premises" means the Locations and Buildings described in the Declarations.
11. "Rental Value" means "Business Income" that consists of:
  - a. Net income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "premises" described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the "premises" which is occupied by you; and
  - b. Continuing normal operating expenses incurred in connection with that "premises", including:
    - (1) Payroll; and
    - (2) The amount of charges, which are the legal obligation of the tenant(s) but would otherwise be your obligations.
12. "Suspension" means:
  - a. The slowdown or cessation of your business activities; and
  - b. That a part or all of the "premises" is rendered untenable if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
13. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information. But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.



**THE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**COMMERCIAL GENERAL LIABILITY COVERAGE  
PART DECLARATIONS**Attached to and forming part of POLICY NUMBER: **EPP 053 36 25**

Named Insured is the same as it appears in the Common Policy Declarations

**LIMITS OF INSURANCE**

EACH OCCURRENCE LIMIT	\$ 1,000,000	
GENERAL AGGREGATE LIMIT	\$ 2,000,000	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$ 2,000,000	
PERSONAL & ADVERTISING INJURY LIMIT	\$ 1,000,000	ANY ONE PERSON OR ORGANIZATION
DAMAGE TO PREMISES RENTED TO YOU LIMIT		ANY ONE
\$100,000 limit unless otherwise indicated herein:	\$ SEE GA210	PREMISES
MEDICAL EXPENSE LIMIT		
\$5,000 limit unless otherwise indicated herein:	\$ SEE GA210	ANY ONE PERSON

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 1 - IN REAL ESTATE AGENTS INCL PROD AND/OR COMP OP	47050	B 2,754,000		.940		2,589
REAL ESTATE PROPERTY MANAGED INCL PROD AND/OR COMP OP	47052	C 2,142,000		2.958		6,336
BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A 3,356		33.737		113
BUILDINGS OR PREMISES - OFFICE - OT NFP INCL PROD AND/OR COMP OP	61224	A 18,488		43.731		808
LOC. 2 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A 10,447		32.070		335
LOC. 3 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A 4,000		32.070		128
LOC. 4 - IN PARKING - PUBLIC	46607	A 43,000		14.200		611

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
INCL PROD AND/OR COMP OP						
SHOPPING CENTERS INCL PROD AND/OR COMP OP	67635 A	34,220		42.357		1,449
LOC. 5 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	9,100		32.070		292
LOC. 6 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	3,000		32.070		96
LOC. 7 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	6,000		32.070		192
LOC. 8 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	1 EACH		52.855		53
BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	14,212		32.070		456
LOC. 9 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	5,000		32.070		160
LOC. 10 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	10,000		32.070		321
LOC. 11 - IN PARKING - PUBLIC INCL PROD AND/OR COMP OP	46607 A	27,000		14.200		383
SHOPPING CENTERS INCL PROD AND/OR COMP OP	67635 A	14,145		42.357		599
LOC. 12 - IN SHOPPING CENTERS INCL PROD AND/OR COMP OP	67635 A	6,231		37.347		233
LOC. 13 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	5,000		33.737		169
LOC. 14 - IL BUILDINGS OR PREMISES LRO - OT NFP	61217 A	500		24.245		12

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
INCL PROD AND/OR COMP OP						
LOC. 15 - IL BOAT STORAGE AND MOORAGE INCL PROD AND/OR COMP OP	10105	C1		3.555		1
LOC. 16 - IL VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451	E1 EACH		1.353		1
LOC. 17 - IL VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451	E1 EACH		1.353		1
LOC. 18 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A4,000		32.070		128
LOC. 19 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E1 EACH		52.855		53
LOC. 20 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A11,555		33.737		390
LOC. 21 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A153,600		33.737		5,182
LOC. 22 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A5,000		33.737		169
LOC. 23 - IN PARKING - PUBLIC INCL PROD AND/OR COMP OP	46607	A32,000		15.054		482
SHOPPING CENTERS INCL PROD AND/OR COMP OP	67635	A24,900		37.347		930
LOC. 24 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A4,000		33.737		135
LOC. 25 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212	A7,544		33.737		255
LOC. 26 - IN BUILDINGS OR PREMISES	61212	A2,212		33.737		75

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LRO - OT NFP		A - Area				
INCL PROD AND/OR COMP OP		B - Payroll				
		C - Gross Sales				
		D - Units				
		E - Other				
LOC. 27 - IN						
BUILDINGS OR PREMISES	61212 A	10,731		33.737		362
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 28 - IN						
BUILDINGS OR PREMISES	61212 A	10,200		33.737		344
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 29 - IN						
BUILDINGS OR PREMISES	61217 A	3,880		26.741		104
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 30 - IN						
BUILDINGS OR PREMISES	61217 A	3,440		26.741		92
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 31 - IN						
LAND	45539 E	1 EACH		3.310		3
INCL PROD AND/OR COMP OP						
LOC. 32 - IN						
BUILDINGS OR PREMISES	61212 A	2,400		33.737		81
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 33 - IN						
REAL ESTATE DEVELOPMENT	47051 E	2 EACH		52.855		106
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E	8 EACH		26.424		211
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E	8 EACH		14.094		113
PROPERTY						
INCL PROD AND/OR COMP OP						
LOC. 34 - IN						
BUILDINGS OR PREMISES	61212 A	6,800		33.737		229
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 35 - IN						
BUILDINGS OR PREMISES	61212 A	2,750		33.737		93
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 36 - IN						
WAREHOUSES - NFP	68707 A	16,500		23.638		390
INCL PROD AND/OR COMP OP						



CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
LOC. 37 - IN VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E3	EACH		1.287		4
LOC. 38 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A6,	600		33.737		223
LOC. 39 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A5,	973		33.737		202
LOC. 40 - IN VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E1	EACH		1.287		1
LOC. 41 - IN VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E1	EACH		1.287		1
LOC. 42 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2	EACH		52.855		106
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E8	EACH		26.424		211
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2	EACH		14.094		28
LOC. 48 - IN PARKING - PUBLIC INCL PROD AND/OR COMP OP	46607 A43,	500		14.200		618
SHOPPING CENTERS INCL PROD AND/OR COMP OP	67635 A33,	144		42.357		1,404
LOC. 49 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A1,	732		32.070		56
LOC. 50 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A8,	400		32.070		269
LOC. 51 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A2,	400		32.070		77

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 52 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	10,000		32.070		321
LOC. 53 - OH SHOPPING CENTERS INCL PROD AND/OR COMP OP	67635 A	11,200		15.069		169
LOC. 54 - OH LAND INCL PROD AND/OR COMP OP	45539 E	1 EACH		3.028		3
LOC. 55 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	33,202		33.737		1,120
BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	750		33.737		25
LOC. 56 - KY BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	7,882		18.639		147
LOC. 57 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	3,600		33.737		121
LOC. 58 - KY BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	5,345		18.639		100
LOC. 59 - IN LAKES OR RESERVOIRS - OT NFP INCL PROD AND/OR COMP OP	45523 E	3 EACH		153.938		462
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		52.855		106
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		26.424		211
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	15 EACH		14.094		211
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	25 EACH		8.808		220

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2	EACH A - Area B - Payroll C - Gross Sales D - Units E - Other		6.520		13
LOC. 60 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2	EACH		52.855		106
LOC. 61 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A7,950			33.737		268
LOC. 62 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A7,913			32.070		254
LOC. 63 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A7,913			32.070		254
LOC. 64 - NC LAND INCL PROD AND/OR COMP OP	45539 E3	EACH		3.597		11
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2	EACH		57.440		115
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E1	EACH		28.716		29
LOC. 65 - IL VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E100	EACH		1.353		135
VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E9	EACH		.544		5
LOC. 66 - IN REAL ESTATE PROPERTY MANAGED INCL PROD AND/OR COMP OP	47052 C4,170			2.958		12
LOC. 67 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A10,920			32.070		350
LOC. 68 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A1,900			9.176		17

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
LOC. 69 - AZ BUILDINGS OR PREMISES - OFFICE - OT NFP INCL PROD AND/OR COMP OP	61224 A	1,591		40.876		65
LOC. 70 - KY BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	6,868		18.639		128
LOC. 74 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	10,371		33.737		350
CONDOMINIUMS - COMMERCIAL INCL PROD AND/OR COMP OP	62000 A	131,500		20.093		2,642
LOC. 75 - AZ REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		79.371		159
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		39.681		79
LOC. 76 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	56,100		9.176		515
LOC. 77 - UT VACANT BUILDINGS - OT NFP INCL PROD AND/OR COMP OP	68606 A	4,862		12.274		60
LOC. 78 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		52.855		106
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		26.424		211
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	5 EACH		14.094		70
LOC. 79 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	32,940		33.737		1,111
LOC. 80 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	34,241		9.176		314

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 81 - KS BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	17,999 A - Area B - Payroll C - Gross Sales D - Units E - Other		15.152		273
LOC. 82 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	18,066		9.176		166
LOC. 83 - AZ REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		73.395		147
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		36.693		294
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	7 EACH		19.571		137
LOC. 84 - IL BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	9,920		23.917		237
LOC. 85 - IN DWELLINGS - ONE-FAMILY INCL PROD AND/OR COMP OP	63010 E	1 EACH		63.676		64
LOC. 86 - AZ BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	790		20.611		16
LOC. 88 - CO REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		3.759		8
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	5 EACH		1.875		9
LOC. 89 - AZ REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		73.395		147
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		36.693		294
REAL ESTATE DEVELOPMENT PROPERTY	47051 E	7 EACH		19.571		137

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
INCL PROD AND/OR COMP OP						
LOC. 90 - AZ BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	8,000		20.611		165
LOC. 91 - CO REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		3.759		8
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		1.875		15
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	4 EACH		1.129		5
LOC. 92 - TX REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		56.687		113
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		28.340		227
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	6 EACH		15.116		91
LOC. 93 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		52.855		106
LOC. 94 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		52.855		106
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		26.424		211
LOC. 95 - NC REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		57.440		115
LOC. 96 - FL REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		67.892		136
REAL ESTATE DEVELOPMENT	47051 E	8 EACH		37.278		298

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
		A - Area B - Payroll C - Gross Sales D - Units E - Other	Products / Completed Operations	All Other	Products / Completed Operations	All Other
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E 5	EACH		19.881		99
PROPERTY						
INCL PROD AND/OR COMP OP						
LOC. 97 - AZ						
REAL ESTATE DEVELOPMENT	47051 E 2	EACH		79.371		159
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E 8	EACH		39.681		317
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E 9	EACH		19.571		176
PROPERTY						
INCL PROD AND/OR COMP OP						
LOC. 98 - NC						
REAL ESTATE DEVELOPMENT	47051 E 2	EACH		57.440		115
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E 2	EACH		28.716		57
PROPERTY						
INCL PROD AND/OR COMP OP						
LOC. 99 - NC						
BUILDINGS OR PREMISES -	61224 A 2,289			13.302		30
OFFICE - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 100 - CO						
REAL ESTATE DEVELOPMENT	47051 E 2	EACH		69.182		138
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E 2	EACH		34.587		69
PROPERTY						
INCL PROD AND/OR COMP OP						
LOC. 101 - IN						
REAL ESTATE DEVELOPMENT	47051 E 2	EACH		52.855		106
PROPERTY						
INCL PROD AND/OR COMP OP						
BROADENED COVERAGE	20291			2.5%		750
ADDITIONAL INSURED -						
TENANTS GA4115 10 01						
06519 FARM-160 ACRES OR						
LESS						
06519 FARM-160 ACRES OR						
LESS						

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
06519 FARM-160 ACRES OR LESS		A - Area B - Payroll C - Gross Sales D - Units E - Other				54
06519 FARM-160 ACRES OR LESS						54
06619 FARM-160 TO 500 ACRES						70
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
ADDITIONAL INSURED	29954					105

The General Liability Coverage Part is subject to an annual minimum premium.

TOTAL ANNUAL PREMIUM \$ 45,243

**FORMS AND / OR ENDORSEMENTS APPLICABLE TO COMMERCIAL GENERAL LIABILITY COVERAGE PART:**

GA101	12/04	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
FL0116	09/94	EXCLUSION-MIGRANT AND SEASONAL AGRICULTURAL WORKER PROTECTION ACT
RA205	06/09	BASIC FARM PREMISES LIABILITY
GA4496	09/17	NOTICE TO POLICYHOLDERS ADDITIONAL INSURED ENDORSEMENTS EDITION 09 17
GA4497	09/17	NOTICE TO POLICYHOLDERS COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENTS EDITION 09 17
CG0103	06/06	TEXAS CHANGES
CG0123	03/97	INDIANA CHANGES - POLLUTION EXCLUSION
CG2004	11/85	ADDITIONAL INSURED--CONDOMINIUM UNIT OWNERS
CG2018	04/13	ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER
CG2026	04/13	ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION
CG2270	11/85	REAL ESTATE PROPERTY MANAGED
CG2301	04/13	EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS
GA210	09/17	COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT
GA216OH	03/10	OHIO LIABILITY COVERAGE ENHANCEMENT
GA3019IN	02/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION
GA3024	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
GA323	10/01	EXCLUSION - LEAD LIABILITY
GA354	10/01	TOTAL POLLUTANT EXCLUSION ENDORSEMENT
GA382	03/02	FUNGI OR BACTERIA EXCLUSION
GA4205IL	10/01	ILLINOIS CHANGES - KNOWN INJURY OR DAMAGE
GA4339KS	07/10	KANSAS CHANGES - TRANSFER OF RIGHTS
GA470	01/99	INDEPENDENT CONTRACTORS AS INSURED - REAL ESTATE AGENTS



# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

## SECTION I - COVERAGES

### COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under

### SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and
  - (3) Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, you did not know, per Paragraph **1.d.** below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part.
- c. "Bodily injury" or "property damage" which:
- (1) Occurs during the "coverage term"; and
  - (2) Was not, prior to the "coverage term", known by you, per Paragraph **1.d.** below, to have occurred;
- includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
- d. You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":
- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
  - (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
  - (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
  - (5) Becomes aware, or reasonably should have become aware, of a

condition from which "bodily injury" or "property damage" is substantially certain to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. When a claim for such "bodily injury" or "property damage" is made, we will defend that claim provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

### d. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured sustained in the "workplace";
- (2) An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

### f. Pollutant

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, Paragraph (a) does not apply to:

- 1) "Bodily injury" to any person injured while on any premises, site or location owned or occupied by, or rented or loaned to, you provided:

- a) The injury is caused by the inadequate ventilation of vapors;
- b) The person injured is first exposed to such vapors during the policy period; and
- c) Within 30 days of such first exposure, the person injured is clinically diagnosed or treated by a physician for the medical condition caused by the exposure to such vapors. However, Paragraph c) does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

This exception 1) shall apply only to Named Insureds; we shall have no duty to defend or pay damages for any person or organization that is not a Named Insured. However, this paragraph does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

For the purpose of the exception granted in Paragraph 1) only, vapors means any gaseous or airborne irritant or airborne contaminant, including smoke, fumes, vapor or soot, but excluding asbestos, which is discharged, dispersed, emitted, released or escapes from materials, machinery or equipment used in the service or maintenance of the premises. Vapors does not mean any gaseous or

airborne irritants or contaminants used in a manufacturing process or which is the product or by-product of any manufacturing process;

- 2) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - 1) Any insured; or
  - 2) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, Paragraph (d) does not apply to:
  - 1) "Bodily injury" or "property damage" arising out of the discharge, dispersal, seepage, migration, release, es-

cape or emission of fuels, lubricants or other operating fluids, or exhaust gases, which are needed to perform, or are the result of, the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted with the intent to cause "bodily injury" or "property damage" or with the knowledge that "bodily injury" or "property damage" is substantially certain to occur, or if such fuels, lubricants or other operating fluids, or exhaust gases, are brought on or to the premises, site or location with such intent to escape, seep or migrate, or be discharged, dispersed, released or emitted as part of the operations being performed by such insured, contractor or subcontractor;

- 2) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the op-

erations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, Paragraphs (2)(a) and (b) do not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

#### g. Aircraft, Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

#### **h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

#### **i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by

governmental authority in hindering or defending against any of these.

#### **j. Damage to Property**

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of an insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire or explosion) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days, for which the amount we will pay is limited to the Damage To Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

#### **k. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.



**I. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall of Products, Work or Impaired Property**

Any liability or damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal and Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Asbestos**

"Bodily injury" or "property damage" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**q. Employment-Related Practices**

"Bodily injury" to:

- (1) A person arising out of any:

- (a) Refusal to employ that person;
- (b) Termination of that person's employment; or
- (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**r. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury" or "property damage" is substantially certain to occur.

**s. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

**t. Distribution of Material in Violation of Statutes**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **q.** do not apply to "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the Damage to Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

**COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**.

- b. This insurance applies to "personal and advertising injury" only if:
  - (1) The "personal and advertising injury" is caused by an offense arising out of your business; and
  - (2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period; and
  - (3) Prior to the "coverage term" in which the "personal and advertising injury" offense is committed, you did not know, per Paragraph **1.d.** below, that the offense had been committed or had begun to be committed, in whole or in part.
- c. "Personal and advertising injury" caused by an offense which:
  - (1) Was committed during the "coverage term"; and

- (2) Was not, prior to the "coverage term", known by you, per Paragraph 1.d. below, to have been committed;

includes any continuation, change or resumption of that offense after the end of the "coverage term" in which it first became known by you.

- d. You will be deemed to know that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means, other than as described in (3) above, that the offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

## 2. Exclusions

This insurance does not apply to:

### a. Knowing Violation of Rights of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### b. Material Published With Knowledge of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

### c. Material Published Prior to Coverage Term

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the later of the following:

- (1) The inception of this Coverage Part; or
- (2) The "coverage term" in which insurance coverage is sought.

### d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

### e. Contractual Liability

"Personal and advertising injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "personal and advertising injury" is caused by or arises out of an offense committed subsequent to the execution of the contract or agreement. When a claim for such "personal and advertising injury" is made, we will defend that claim, provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

### f. Breach of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

### g. Quality or Performance of Goods - Failure to Conform to Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

### h. Wrong Description of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

### i. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, pat-



ent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds in Media and Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 17. a., b. and c. of "personal and advertising injury" under **SECTION V - DEFINITIONS**.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet is not, by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board any insured hosts, owns, or over which any insured exercises control.

**l. Unauthorized Use of Another's Name or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Employment Related Practices**

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation

or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**n. Pollutant**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.

**o. Pollutant-Related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**p. Asbestos**

"Personal and advertising injury" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**q. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that a "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part, prior to the "coverage term" in which such offense

was committed or began to be committed.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that a "personal and advertising injury" offense has been committed or has begun to be committed at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that the "personal and advertising injury" offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

**r. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**s. Distribution of Material in Violation of Statutes**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**COVERAGE C. MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury on Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers' Compensation and Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletic Activities**

To any person injured while officiating, coaching, practicing for, instructing or participating in any physical exercises or games, sports, or athletic contests or exhibitions of an athletic or sports nature.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**.

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", in-

cluding actual loss of earnings up to \$250 a day because of time off from work.

5. All costs taxed against the insured in the "suit".
6. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

**SECTION II - WHO IS AN INSURED**

1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
  - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by

you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by; or
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by,

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
  - (1) With respect to liability arising out of the maintenance or use of that property; and
  - (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. a. The General Aggregate Limit is the most we will pay for the sum of:

- (1) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;
- (2) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- (3) Damages under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**.

This General Aggregate Limit will not apply if either the Location General Aggregate



gate Limit of Insurance, Paragraph **2.b.**, or the Construction Project General Aggregate Limit of Insurance, Paragraph **2.c.** applies.

- b. A separate Location General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each location owned by, or rented or leased to you and is the most we will pay for the sum of:

(1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

(2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**,

which can be attributed to operations at only a single location owned by, or rented or leased to you.

- c. A separate Construction Project General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each construction project and is the most we will pay for the sum of:

(1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

(2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

which can be attributed only to ongoing operations and only at a single construction project.

- d. Only for the purpose of determining which General Aggregate Limit of Insurance, **2.a.**, **2.b.**, or **2.c.**, applies:

(1) Location means premises involving the same or connecting lots, or premises, whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

(2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on

your behalf at the same location for the same persons or organizations, no matter how often or under how many different contracts, will be deemed to be a single construction project.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to **2.a.** above, the Personal and Advertising Injury Limit is the most we will pay under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; and

b. Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to **5.** above, the Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire or explosion, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to **5.** above, the Medical Expense Limit is the most we will pay under **COVERAGE C. MEDICAL PAYMENTS** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

#### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties in the Event of Occurrence, Offense, Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or

a "personal and advertising injury" offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable

under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### 4. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### 5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** of this Coverage Part, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

#### b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar insurance for "your work";
  - (b) That is Fire or Explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to

premises rented to you or temporarily occupied by you with permission of the owner; or

- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft.**
- (2) Any other primary insurance available to the insured covering liability for damages arising out of the premises or operations, or the products and completed operations, for which the insured has been added as an additional insured by attachment of an endorsement.
- (3) Any other insurance:
  - (a) Whether primary, excess, contingent or on any other basis, except when such insurance is written specifically to be excess over this insurance; and
  - (b) That is a consolidated (wrap-up) insurance program which has been provided by the prime contractor/project manager or owner of the consolidated project in which you are involved.

When this insurance is excess, we will have no duty under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance

shown in the Declarations of this Coverage Part.

#### c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

### 6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If:
  - (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
  - (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

### 7. Representations

By accepting this Coverage Part, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Part in reliance upon your representations.

### 8. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

#### 9. **Transfer of Rights of Recovery Against Others to Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

#### 10. **Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Part and any other Coverage Form, Coverage Part or policy issued to you by us or any company affiliated with us apply to the same "occurrence" or "personal and advertising injury" offense, the aggregate maximum limit of insurance under all the Coverage Forms, Coverage Parts or policies shall not exceed the highest applicable limit of insurance under any one Coverage Form, Coverage Part or policy. This condition does not apply to any Coverage Form, Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

#### 11. **When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

### **SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast, telecast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Authorized representative" means:
  - a. If you are designated in the Declarations as:

- (1) An individual, you and your spouse are "authorized representatives".
  - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
  - (3) A limited liability company, your members and your managers are "authorized representatives".
  - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".
  - (5) A trust, your trustees are "authorized representatives".
- b. Your "employees":
- (1) Assigned to manage your insurance program; or
  - (2) Responsible for giving or receiving notice of an "occurrence", "personal and advertising injury" offense, claim or "suit";
- are also "authorized representatives".

#### 3. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

4. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at



- 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
- (1) The day the policy period shown in the Declarations ends; or
  - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in a. above;
    - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication,

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement to which we agree.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any rail-

- road property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
- (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities;
- (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;
- (5) Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;
- (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks; or
- (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above.
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
14. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - b. While it is in or on an aircraft, watercraft or "auto"; or
  - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - b. Vehicles maintained for use solely on or next to premises you own or rent;
  - c. Vehicles that travel on crawler treads;
  - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - (1) Power cranes, shovels, loaders, diggers or drills; or
    - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
  - e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to

permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

18. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
- b. The insured uses, generates or produces the "pollutant".

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or
  - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
    - (a) When all of the work called for in your contract has been completed; or
    - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or
    - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a schedule, states that products-completed operations are included.

**20. "Property damage" means:**

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

**21. "Suit" means a civil proceeding in which money damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:**

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.

**22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.**

**23. "Volunteer worker" means a person who is not your "employee", and who donates his or**

her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**24. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".**

**25. "Your product":**

**a. Means:**

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
- (b) Others trading under your name; or
- (c) A person or organization whose business or assets you have acquired; and

- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**b. Includes:**

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

**c. Does not include vending machines or other property rented to or located for the use of others but not sold.**

**26. "Your work":**

**a. Means:**

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

**b. Includes:**

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.



# NUCLEAR ENERGY LIABILITY EXCLUSION (Broad Form)

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

**(1)** With respect to which an insured under this Coverage Part is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

**(2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the insured is, or had this Coverage Part not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:**

**(1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an insured, or **(b)** has been discharged or dispersed therefrom;

**(2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

**(3)** The "bodily injury" or "property damage" arises out of the furnishing by

an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this exclusion:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

**A. Any "nuclear reactor";**

**B. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";**

**C. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;**

**D.** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - MIGRANT AND  
SEASONAL AGRICULTURAL WORKER  
PROTECTION ACT**

This endorsement modifies insurance provided under the following:

**FARM LIABILITY COVERAGE FORM  
FARM EMPLOYERS LIABILITY AND FARM EMPLOYEES MEDICAL PAYMENTS INSURANCE  
ENDORSEMENT  
BASIC FARM PREMISES LIABILITY ENDORSEMENT  
BROAD FARM PREMISES LIABILITY ENDORSEMENT**

This insurance does not apply to damages awarded under:

- A.** The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801 et seq.) (hereinafter "MSAWPA"),
- B.** Any law, due to violation of the MSAWPA, or
- C.** Any regulation promulgated pursuant to the MSAWPA.

**THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.****BASIC FARM PREMISES LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

Subject to the provisions of this endorsement, insurance under the Commercial General Liability Coverage Part applies with respect to liability arising out of the ownership, use or maintenance of "farm premises". The terms ownership, use or maintenance include operations necessary or incidental to ownership, use or maintenance.

**A. Coverage A - Bodily Injury and Property Damage Liability****1. Under Exclusion 2.f., the following exception is added to Subparagraph (1)(a):**

- 4) "Bodily injury" or "property damage" caused by heat, smoke or fumes from a fire if the fire:

- a) is set by the insured on the "farm premises"; and
- b) is set for the purpose of burning of crop, stubble or other vegetation and is consistent with normal and usual agricultural practices; and
- c) is not set in violation of an ordinance or law.

**2. The following exception is added to Exclusion 2.g.:**

- (6) An "auto" or item of "mobile equipment" involved in an occurrence on the "farm premises" and not subject to motor vehicle registration by reason of:

- (a) Use exclusively on the "farm premises"; or
- (b) Being kept in dead storage on the "farm premises".

**3. Exclusion 2.i. does not apply to operations necessary or incidental to the ownership, use or maintenance of the "farm premises".****4. Unless the Declarations specify otherwise, the following exclusions are added:**

- u. "Bodily injury" or "property damage" arising out of the ownership, use or maintenance of any part of the "farm premises" that is:

- (1) Used for nonagricultural business purposes; or

- (2) Rented to others or held for rental by an insured for nonagricultural business or dwelling purposes.

This exclusion does not apply to:

- (1) A residence rented to a person who occupies and farms the "farm premises"; or
- (2) A residence occupied by no more than two roomers or boarders.

- v. "Bodily injury" or "property damage" arising out of the ownership, use or maintenance of:

- (1) Farm tools, farm tractors and trailers under contract to others for a charge;
- (2) Draft animals or vehicles used with them:

- (a) Under contract to others for a charge; or
- (b) Used for route delivery; or

- (3) Saddle animals:

- (a) Rented to others by or for an insured; or
- (b) Used in practicing for or participating in any exhibition or contest.

- w. "Property damage" arising out of any substance released or discharged from any aircraft.

- x. "Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services.

**B. Coverage C - Medical Payments**

The following is added to Paragraph 2. Exclusions:

- h. To any person engaged in work usual or incidental to the maintenance or use of the "farm premises".



The only exceptions to this exclusion are in occurrences of "bodily injury" sustained by a person on the "farm premises" in a neighborly exchange of assistance for which the insured is not obligated to pay any money.

**C. Chemical Drift Liability Coverage** is added to the Commercial General Liability Coverage Part as Coverage M, as described and limited in 1. through 6, below:

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages for physical injury to crops or animals if:

- (1) The injury was caused by discharge, dispersal, release or escape into the air from the "farm premises", of the chemicals, liquids or gases that the insured has used in normal and usual agricultural operations; and
- (2) The chemicals, liquids or gases entered into the air by some means other than discharge, dispersal, release or escape from aircraft.

The term physical injury does not include any indirect or consequential damages such as loss, at any time, of market for crops or animals or of use of such animals.

The coverage applies only to physical injury that occurs during the policy period. The physical injury must be caused by an "occurrence". The "occurrence" must take place in the coverage territory.

- b. We will have the right and duty to defend the insured against any suit seeking damages for covered physical injury. However, we will have no duty to defend the insured against any suit seeking damages for physical injury to which this insurance does not apply. We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result.

But:

- (1) The amount we will pay for damages is limited as described below in 3. Aggregate Limit of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable Aggregate Limit of Insurance in the payment of judgments

or settlements under Chemical Drift Liability Coverage.

As used in this Coverage M, the term "suit" means a civil proceeding in which damages because of physical injury to which such Coverage applies are alleged.

"Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit without consent;
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits without consent; or
- (3) An appeal of a civil proceeding.

- c. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph 1. of Supplementary Payments.

**2. Exclusions**

**Chemical Drift Liability Coverage** does not apply to:

- a. Any loss, cost or expense arising out of any:
- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of pollutants; or
  - (2) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of, chemicals, liquids or gases.

However, paragraphs (1) and (2) do not apply to liability for damages the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

- b. Physical injury to crops or animals arising out of agricultural operations which are in violation of an ordinance or law.

c. Physical injury to crops or animals which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

d. Physical injury to crops or animals for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract", provided the physical injury occurs subsequent to the execution of the contract or agreement; or
- (2) That the insured would have in the absence of the contract or agreement.

With respect to Chemical Drift Liability Coverage, Paragraph f. of the "insured contract" definition is deleted and replaced by the following:

f. That part of a contract or agreement pertaining to your "farming" operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay a third person or organization for physical injury to crops or animals. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

However, Paragraph f. above does not include that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.

e. Physical injury to crops or animals you own, rent or borrow.

### 3. Aggregate Limit of Insurance for Chemical Drift Liability Coverage: \$25,000

a. Our total liability for Coverage M, Chemical Drift Liability Coverage, is the Aggregate Limit of Insurance stated above, unless a different Aggregate Limit of Insurance is stated for Coverage M in the Declarations.

b. The stated Aggregate Limit of Insurance applies separately to each "coverage form".

c. Therefore, the stated Aggregate Limit of Insurance is the most we will pay for the applicable period of time as described in b, above, regardless of the number of:

- (1) Occurrences
- (2) Insureds
- (3) Claims made or "suits brought or
- (4) Persons or organizations making claims or bringing suits".

### 4. Section IV - Commercial General Liability Conditions applies to Chemical Drift Liability Coverage

5. Words and phrases (except "suit") used in this Chemical Drift Liability Coverage have meaning as defined in Section V - Definitions. Section V includes the defined terms added in this endorsement.

### D. Section II - Who is an Insured

Paragraph 1. is replaced by the following:

1. If you are designated in the Declarations as:
  - a. An individual, you are an insured, and they are members of your household, your spouse, and you and your spouse's relatives who are under the age of 21 and also insureds.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your "farming" operations.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your "farming" operations. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

**E. Section IV - Commercial General Liability Conditions**

The following is added to the **Duties in the Event of Occurrence, Offense, Claim or Suit** Condition:

We have no duty to provide coverage under this policy if failure to comply with the duties described in this Condition is prejudicial to us.

**F. Section V - Definitions**

1. The following definitions are added:

- a. "Custom farming" means performance of specific planting, cultivating, harvesting or other specific "farming" operations by an insured, at a farm that is not a "farm premises", when the performance is for and under the direction or supervision of the owner or operator of the farm or the authorized representative of the owner or operator.

But "custom farming" does **not** mean:

- (1) Operations conducted at a premises rented to, leased to or controlled by an insured;
- (2) Operations for which no compensation in money or goods is received; or
- (3) A neighborly exchange of services.

- b. "Farming" means the operation of an agriculture or aquaculture enterprise, and includes the operation of roadside stands, on your "farm premises" maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the Declarations, "farming" does not include:

- (1) Retail activity other than that described above; or
- (2) Mechanized processing operations.

- c. "Farm premises" means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":

- (1) Buildings used as residences;
- (2) Garages;
- (3) Stables; and

- (4) Individual or family cemetery plots or burial vaults.

- 2. The "your product" definition is deleted and replaced by the following with respect to coverage provided by this endorsement:

"Your product"

- a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You; or

- (b) Others trading under your name; and

- (2) Containers (other than vehicles), materials, parts or component furnished in connection with such goods or products.

- b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

- (2) The providing of or failure to provide warnings or instructions.

- c. Does not include property rented to or located for the use of others but not sold.

- 3. The definitions of "employee", "leased worker", "temporary worker" and "volunteer worker", as shown in Section V - Definitions of the Commercial General Liability Coverage Part, do not apply to the insurance provided under this endorsement.

**G. Additional Coverage - Custom Farming**

- 1. Insurance under the Commercial General Liability Coverage Form also applies with respect to liability arising out of the insured's performance of or failure to perform "custom farming" operations.

But this Additional Coverage will apply only if your records during the 12 months immediately preceding the date of the "occurrence" from such "custom farming" operations do not exceed \$5,000.

- 2. Exclusions 2.j.(4) and (6), 2.l. and 2.m. under Coverage A do not apply with respect to the Additional Coverage as described and limited in G.1, above.

## **NOTICE TO POLICYHOLDERS**

### **ADDITIONAL INSURED ENDORSEMENTS EDITION 09 17**

This is a summary of the major changes found in new editions of additional insured endorsements. NO COVERAGE IS PROVIDED BY THIS SUMMARY. Nor can it be construed to replace any provision of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverages that you are provided. If there is any conflict, between the policy and this summary, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

The major areas within the endorsements that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in the endorsements.

#### **Clarification of Coverage:**

The following additional insured endorsements are revised to indicate that when these endorsements are attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permitted by law and to the extent the named insured is required by the contract or agreement to provide insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less:

- **CG 20 03 04 13    ADDITIONAL INSURED - CONCESSIONAIRES TRADING UNDER YOUR NAME**
- **CG 20 05 04 13    ADDITIONAL INSURED - CONTROLLING INTEREST**
- **CG 20 07 04 13    ADDITIONAL INSURED - ENGINEERS, ARCHITECTS OR SURVEYORS**
- **CG 20 10 04 13    ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION**
- **CG 20 11 04 13    ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES**
- **CG 20 12 04 13    ADDITIONAL INSURED - STATE OR GOVERNMENTAL AGENCY OR SUBDIVISION OR POLITICAL SUBDIVISION - PERMITS OR AUTHORIZATIONS**
- **CG 20 13 04 13    ADDITIONAL INSURED - STATE OR GOVERNMENTAL AGENCY OR SUBDIVISION OR POLITICAL SUBDIVISION - PERMITS OR AUTHORIZATIONS RELATING TO PREMISES**
- **CG 20 15 04 13    ADDITIONAL INSURED - VENDORS**
- **CG 20 18 04 13    ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE OR RECEIVER**
- **CG 20 23 04 13    ADDITIONAL INSURED - EXECUTORS, ADMINISTRATORS, TRUSTEES OR BENEFICIARIES**
- **CG 20 24 04 13    ADDITIONAL INSURED - OWNERS OR OTHER INTERESTS FROM WHOM LAND HAS BEEN LEASED**
- **CG 20 26 04 13    ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION**
- **CG 20 27 04 13    ADDITIONAL INSURED - CO-OWNER OF INSURED PREMISES**
- **CG 20 28 04 13    ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT**
- **CG 20 29 04 13    ADDITIONAL INSURED - GRANTOR OF FRANCHISE**
- **CG 20 30 04 13    OIL OR GAS OPERATIONS - NONOPERATING, WORKING INTERESTS**
- **CG 20 31 04 13    ADDITIONAL INSURED - ENGINEERS, ARCHITECTS OR SURVEYORS**
- **CG 20 32 04 13    ADDITIONAL INSURED - ENGINEERS, ARCHITECTS OR SURVEYORS NOT ENGAGED BY THE NAMED INSURED**
- **CG 20 34 04 13    ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT - AUTOMATIC STATUS WHEN REQUIRED IN LEASE AGREEMENT WITH YOU**
- **CG 20 35 04 13    ADDITIONAL INSURED - GRANTOR OF LICENSES - AUTOMATIC STATUS WHEN REQUIRED BY LICENSOR**
- **CG 20 36 04 13    ADDITIONAL INSURED - GRANTOR OF LICENSES**

- **CG 20 37 04 13** **ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS**
- **CG 29 35 04 13** **ADDITIONAL INSURED - STATE OR GOVERNMENTAL AGENCY OR SUBDIVISION OR POLITICAL SUBDIVISION - PERMITS OR AUTHORIZATIONS**
- **GA 4248 09 17** **ADDITIONAL INSURED - PICK UP OR DELIVERY - SCHEDULED PERSON OR ORGANIZATION**
- **GA 4397 09 17** **ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION (VICARIOUS LIABILITY)**

**GA 472 09 17 CONTRACTORS ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED IN WRITTEN CONTRACT, AGREEMENT, PERMIT OR AUTHORIZATION**

**GA 4255 09 17 CONTRACTORS ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED IN WRITTEN CONTRACT OR AGREEMENT**

The above forms have the following changes:

**Broadening of Coverage:**

- Coverage is no longer restricted to entities for whom work is performed by you.

**Reduction of Coverage:**

- Coverage has been removed for oral contracts.

**Clarification of Coverage:**

- Expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.
- Expressly states the exclusion applies only in your capacity as an engineer, architect or surveyor and not within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

**CG 20 08 04 13 ADDITIONAL INSURED - USERS OF GOLFMOBILES**

The above form has the following change:

**Reduction of Coverage:**

- Golfmobile was added as a defined term.

## **NOTICE TO POLICYHOLDERS COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENTS EDITION 09 17**

This is a summary of the major changes found in the new editions of the Commercial General Liability Broadened Endorsements. NO COVERAGE IS PROVIDED BY THIS SUMMARY. Nor can it be construed to replace any provision of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverages that you are provided. If there is any conflict, between the policy and this summary, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

The major areas within the endorsements that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in the endorsements.

The following endorsements are similar but are designed for different types of risk:

**GA 210 09 17 Commercial General Liability Broadened Endorsement**

**GA 227 09 17 Commercial General Liability Extended Endorsement**

**GA 233 09 17 Contractors' Commercial General Liability Broadened Endorsement**

All of the above forms have the following changes:

### **Broadening of Coverage:**

- The Limit of Insurance for Supplementary Payments bail bonds is increased from \$1,000 to \$2,500 and loss of earnings is increased from \$350 to \$500.
- Good Samaritan coverage is added for "employees" or "volunteer workers", other than an employed or volunteer medical doctor, for providing first aid or good samaritan services during work hours.
- Nonowned Aircraft coverage is added provided the pilot in command holds a current certificate, the aircraft is rented with a trained, paid crew and the aircraft does not transport persons or cargo for a charge.
- The definition of "bodily injury" is updated to include disability, humiliation, shock, fright, mental anguish or mental injury.
- The Expected or Intended Injury exclusion is updated to include coverage for property damage resulting from the use of reasonable force to protect persons or property.
- Former Employees as Insureds coverage is added to provide that any of your former "employees", directors, managers, members, partners or "executive officers" are insureds for acts within the scope of their employment by you or for duties related to the conduct of your business.
- Additional Insured coverage is added for Mortgagee, Assignee or Receiver with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance or use of the premises by you.

### **Clarification of Coverage:**

- Employee Benefit Liability - "First effective date" definition is introduced into the prior acts coverage.
- Under Damage to Premises Rented to You, editorial updates were made to Water Damage Legal coverage to coincide with Water Damage Legal coverage provided in ISO's **CP 10 30 10 12** Causes of Loss - Special Form.
- The additional insured coverage built into the Broadened endorsements is revised to indicate that coverage is provided to the additional insured if required by written contract or written agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured. Additionally, if coverage provided to the additional insured is required by written contract or written agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the written contract or written agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

### **Reduction of Coverage:**

- For Automatic Additional Insured coverage, coverage has been removed for oral contracts or agreements.

The following additional changes apply to the **GA 233 09 17** Contractors' Commercial General Liability Broadened Endorsement:

**Voluntary Property Damage and Care, Custody or Control Coverage**

**Reduction of Coverage:**

- Introduced Voluntary Property Damage Aggregate Limit (equal to 5 times the Occurrence Limit).
- Voluntary Property Damage now explicitly states that we only cover the cost to repair or replace.
- Under Voluntary Property Damage if insured repairs/replaces at our request, the amount we pay will not include any profit or overhead.
- Voluntary Property Damage - Coverage A exclusions apply except those specified. Previously only the Expected or Intended exclusion applied.
- Voluntary Property Damage - Removed loss of use from definition of property damage, and specified property damage does not include disappearance, abstraction or theft.

**Clarification of Coverage:**

- Voluntary Property Damage's consent must be written.
- Any payment we make under Voluntary Property Damage is not an admission of liability by the named insured or by us.
- Voluntary Property Damage and Care, Custody, or Control - We have no duty to defend.

**Contractors' Automatic Additional Insured Coverage**

Previously this coverage was provided in the **GA 233**. This coverage will now be provided by the automatic attachment of **GA 472 09 17** Contractors Additional Insured - Automatic Status When Required in Written Contract, Agreement, Permit or Authorization when the **GA 233** is purchased:

**Broadening of Coverage:**

- Coverage is no longer restricted to entities for whom work is performed by you.

**Reduction of Coverage:**

- Coverage has been removed for oral contracts.

**Clarification of Coverage:**

- Expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.
- Expressly states the exclusion applies only in your capacity as an engineer, architect or surveyor and not within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** With regard to liability for Bodily Injury, Property Damage and Personal and Advertising Injury, unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Part requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit" will bar coverage under this Coverage Part.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - POLLUTION EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following is added to Subparagraph f., **Pollution** of Paragraph 2., **Exclusions** of **Bodily Injury and Property Damage Liability Coverage (Section I - Coverages)** and to Paragraph 2., **Exclusions** of **Personal and Advertising Injury Liability Coverage (Section I - Coverages)** or to any amendment to or replacement thereof:

This Pollution Exclusion applies whether or not such irritant or contaminant has any function in your business, operations, premises, site or location.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED--CONDOMINIUM UNIT OWNERS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART.**

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.

POLICY NUMBER: EPP 053 36 25

COMMERCIAL GENERAL LIABILITY  
CG 20 18 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED -  
MORTGAGEE, ASSIGNEE OR RECEIVER**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Person(s) Or Organization(s)	Designation Of Premises
JOHNSON BANK 3131 E CAMELBACK RD STE 100 PHOENIX, AZ 85016-4597	SEC LAKE PLEASANT PKWY & HAPPY VALEY RD PEORIA, AZ 85383
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you and shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: EPP 053 36 25

COMMERCIAL GENERAL LIABILITY  
CG 20 26 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE****Name Of Additional Insured Person(s) Or Organization(s):**INTERNATIONAL COUNCIL OF SHOPPING CENTER  
1221 AVENUE OF THE AMERICAS FL 41  
NEW YORK, NY 10020-1001

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: EPP 053 36 25

COMMERCIAL GENERAL LIABILITY  
CG 20 26 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE****Name Of Additional Insured Person(s) Or Organization(s):**LAS VEGAS CONVENTION CENTER  
3150 PARADISE RD  
LAS VEGAS, NV 89109-9096

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: EPP 053 36 25

COMMERCIAL GENERAL LIABILITY  
CG 20 26 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE****Name Of Additional Insured Person(s) Or Organization(s):**GLOBAL EXPERIENCE SPECIALIST  
7000 LINDELL RD  
LAS VEGAS, NV 89118-4702

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE PROPERTY MANAGED**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to "property damage" to property you operate or manage or as to which you act as agent for the collection of rents or in any other supervisory capacity.

With respect to your liability arising out of your management of property for which you are acting as real estate manager this insurance is excess over any other valid and collectible insurance available to you.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - REAL ESTATE AGENTS OR BROKERS  
ERRORS OR OMISSIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph **2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

#### **A. Endorsement - Table of Contents:**

<u>Coverage:</u>	<u>Begins on Page:</u>
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• Managers Or Lessors Of Premises;	
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• State Or Governmental Agency Or Subdivision Or Political Subdivision - Permits Or Authorizations Relating To Premises; and	
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#### **B. Limits Of Insurance:**

The Commercial General Liability Limits of Insurance apply to the insurance provided by this endorsement, except as provided below:

##### **1. Employee Benefit Liability Coverage**

Each Employee Limit: \$1,000,000  
Aggregate Limit: \$3,000,000  
Deductible Amount: \$ 1,000

##### **3. Damage To Premises Rented To You**

The lesser of:

- a. The Each Occurrence Limit shown in the Declarations; or
- b. \$500,000 unless otherwise stated \$ \_\_\_\_\_

##### **4. Supplementary Payments**

- a. Bail Bonds: \$2,500
- b. Loss Of Earnings: \$ 500

**5. Medical Payments**

Medical Expense Limit: \$ 10,000

**9. Property Damage To Borrowed Equipment**

Each Occurrence Limit: \$10,000

Deductible Amount: \$ 250

**C. Coverages****1. Employee Benefit Liability Coverage**

- a. The following is added to **Section I - Coverages:**

**Employee Benefit Liability Coverage****(1) Insuring Agreement**

- (a) We will pay those sums that the insured becomes legally obligated to pay as damages caused by any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any claim or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in **Section III - Limits Of Insurance**; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments**.

- (b) This insurance applies to damages only if the act, error or omission, is negligently committed in the "administration" of your "employee benefit program"; and
- 1) Occurs during the policy period; or

- 2) Occurred prior to the "first effective date" of this endorsement provided:

- a) You did not have knowledge of a claim or "suit" on or before the "first effective date" of this endorsement.

You will be deemed to have knowledge of a claim or "suit" when any "authorized representative";

- i) Reports all, or any part, of the act, error or omission to us or any other insurer;
- ii) Receives a written or verbal demand or claim for damages because of the act, error or omission; and

- b) There is no other applicable insurance.

**(2) Exclusions**

This insurance does not apply to:

**(a) Bodily Injury, Property Damage Or Personal And Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".

**(b) Dishonest, Fraudulent, Criminal Or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

**(c) Failure To Perform A Contract**

Damages arising out of failure of performance of contract by any insurer.

**(d) Insufficiency Of Funds**

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

**(e) Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation**

Any claim based upon:

- 1) Failure of any investment to perform;
- 2) Errors in providing information on past performance of investment vehicles; or
- 3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

**(f) Workers' Compensation And Similar Laws**

Any claim arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

**(g) ERISA**

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

**(h) Available Benefits**

Any claim for benefits to the extent that such benefits are available, with reasonable

effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

**(i) Taxes, Fines Or Penalties**

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

**(j) Employment-Related Practices**

Any liability arising out of any:

- (1) Refusal to employ;
- (2) Termination of employment;
- (3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment - related practices, acts or omissions; or
- (4) Consequential liability as a result of (1), (2) or (3) above.

This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

**(3) Supplementary Payments**

**Section I - Coverages, Supplementary Payments - Coverages A And B** also apply to this Coverage.

**b. Who Is An Insured**

As respects **Employee Benefit Liability Coverage, Section II - Who Is An Insured** is replaced by the following:

- (1) If you are designated in the Declarations as:
  - (a) An individual, you and your spouse are insureds, but only with respect to the con-

duct of a business of which you are the sole owner.

- (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds but only with respect to the conduct of your business.
  - (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - (d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - (e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- (2) Each of the following is also an insured:
- (a) Each of your "employees" who is or was authorized to administer your "employee benefit program";
  - (b) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed; or
  - (c) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- (3) Any organization you newly acquire or form, other than a partnership, joint venture or limited

liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However, coverage under this provision:

- (a) Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
- (b) Does not apply to any act, error or omission that was committed before you acquired or formed the organization.

### c. Limits Of Insurance

As respects **Employee Benefit Liability Coverage, Section III - Limits Of Insurance** is replaced by the following:

- (1) The Limits of Insurance shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** and the rules below fix the most we will pay regardless of the number of:
  - (a) Insureds;
  - (b) Claims made or "suits" brought;
  - (c) Persons or organizations making claims or bringing "suits";
  - (d) Acts, errors or omissions; or
  - (e) Benefits included in your "employee benefit program".
- (2) The Aggregate Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- (3) Subject to the limit described in (2) above, the Each Employee Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages sustained by any one "employee", including damages sustained by

such "employee's" dependents and beneficiaries, as a result of:

- (a) An act, error or omission; or
- (b) A series of related acts, errors or omissions, regardless of the amount of time that lapses between such acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program."

#### (4) Deductible Amount

- (a) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the Deductible Amount stated in the Declarations as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- (b) The Deductible Amount stated in the Declarations applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- (c) The terms of this insurance, including those with respect to:
  - 1) Our right and duty to defend the insured against any "suits" seeking those damages; and
  - 2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or claim;

apply irrespective of the application of the Deductible Amount.

- (d) We may pay any part or all of the Deductible Amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as we have paid.

#### d. Additional Conditions

As respects **Employee Benefit Liability Coverage, Section IV - Commercial General Liability Conditions** is amended as follows:

- (1) Item **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** is replaced by the following:

#### 2. Duties In The Event Of An Act, Error Or Omission, Or Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a claim. To the extent possible, notice should include:
  - (1) What the act, error or omission was and when it occurred; and
  - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:



- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

- (2) Item **5. Other Insurance** is replaced by the following:

**5. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when **c.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **b.** below.

**b. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**c. No Coverage**

This insurance shall not cover any loss for which the insured is entitled to recovery under any other insurance in force previous to the effective date of this Coverage Part.

**e. Additional Definitions**

As respects **Employee Benefit Liability Coverage, Section V - Definitions** is amended as follows:

- (1) The following definitions are added:

**1. "Administration" means:**

- a.** Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b.** Interpreting the "employee benefit programs";
- c.** Handling records in connection with the "employee benefit programs"; or

- d. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include:

- a. Handling payroll deductions; or
  - b. The failure to effect or maintain any insurance or adequate limits of coverage of insurance, including but not limited to unemployment insurance, social security benefits, workers' compensation and disability benefits.
2. "Cafeteria plans" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
3. "Employee benefit programs" means a program providing some of all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
- a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
  - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employ-

ees" who are eligible under the plan for such benefits;

- c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
- d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

4. "First effective date" means the date upon which coverage was first effected in a series of uninterrupted renewals of insurance coverage.

- (2) The following definitions are deleted in their entirety and replaced by the following:

8. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

21. "Suit" means a civil proceeding in which money damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.



## 2. Unintentional Failure To Disclose Hazards

**Section IV - Commercial General Liability Conditions, 7. Representations** is amended by the addition of the following:

Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under this Coverage Part based solely on such failure.

## 3. Damage To Premises Rented To You

- a. The last Paragraph of **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **c.** through **q.** do not apply to "property damage" by fire, explosion, lightning, smoke or soot to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the **Damage To Premises Rented To You** Limit as described in **Section III - Limits Of Insurance.**

- b. The insurance provided under **Section I - Coverage A - Bodily Injury And Property Damage Liability** applies to "property damage" arising out of water damage to premises that are both rented to and occupied by you.

- (1) As respects Water Damage Legal Liability, as provided in Paragraph **3.b.** above:

The exclusions under **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions**, other than **i. War** and the **Nuclear Energy Liability Exclusion (Broad Form)**, are deleted and the following are added:

This insurance does not apply to:

- (a) "Property damage":
- (i) Assumed in any contract or agreement; or
  - (ii) Caused by or resulting from any of the following:
    - 1) Wear and tear;

- 2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- 3) Smog;
- 4) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- 5) Settling, cracking, shrinking or expansion;
- 6) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals; or
- 7) Presence, growth, proliferation, spread or any activity of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

- (b) "Property damage" caused directly or indirectly by any of the following:

- (i) Earthquake, volcanic eruption, landslide or any other earth movement;
- (ii) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (iii) Water under the ground surface pressing on, or flowing or seeping through:
  - 1) Foundations, walls, floors or paved surfaces;

- 2) Basements, whether paved or not; or
  - 3) Doors, windows or other openings.
- (c) "Property damage" caused by or resulting from water that leaks or flows from plumbing, heating, air conditioning, fire protection systems, or other equipment, caused by or resulting from freezing, unless:
- (i) You did your best to maintain heat in the building or structure; or
  - (ii) You drained the equipment and shut off the water supply if the heat was not maintained.
- (d) "Property damage" to:
- (i) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or
  - (ii) The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet or ice, whether driven by wind or not.

#### c. Limit Of Insurance

With respect to the insurance afforded in Paragraphs 3.a. and 3.b. above, the **Damage To Premises Rented To You** Limit as shown in the Declarations is amended as follows:

- (1) Paragraph 6. of **Section III - Limits Of Insurance** is replaced by the following:
- 6. Subject to Paragraph 5. above, the **Damage To Premises Rented To You** Limit is the most we will pay under **Coverage A - Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises:
  - a. While rented to you, or temporarily occupied by

you with permission of the owner;

- b. In the case of damage by fire, explosion, lightning, smoke or soot, while rented to you; or
- c. In the case of damage by water, while rented to and occupied by you.

- (2) The most we will pay is limited as described in Section **B. Limits Of Insurance, 3. Damage To Premises Rented To You** of this endorsement.

#### 4. Supplementary Payments

Under **Section I - Supplementary Payments - Coverages A And B:**

- a. Paragraph 2. is replaced by the following:

Up to the limit shown in Section **B. Limits Of Insurance, 4.a.** Bail Bonds of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- b. Paragraph 4. is replaced by the following:

All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to the limit shown in Section **B. Limits Of Insurance, 4.b.** Loss Of Earnings of this endorsement per day because of time off from work.

#### 5. Medical Payments

The Medical Expense Limit of Any One Person as stated in the Declarations is amended to the limit shown in Section **B. Limits Of Insurance, 5. Medical Payments** of this endorsement.

#### 6. 180 Day Coverage For Newly Formed Or Acquired Organizations

**Section II - Who Is An Insured** is amended as follows:

Subparagraph a. of Paragraph 3. is replaced by the following:

- a. Insurance under this provision is afforded only until the 180th day after

you acquire or form the organization or the end of the policy period, whichever is earlier;

## 7. Waiver Of Subrogation

**Section IV - Commercial General Liability Conditions, 9. Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization against whom you have agreed to waive such right of recovery in a written contract or agreement because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract or agreement with that person or organization and included in the "products-completed operations hazard". However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

## 8. Automatic Additional Insured - Specified Relationships

### a. The following is added to **Section II - Who Is An Insured**:

- (1) Any person(s) or organization(s) described in Paragraph **8.a.(2)** of this endorsement (hereinafter referred to as additional insured) whom you are required to add as an additional insured under this Coverage Part by reason of a written contract, written agreement, written permit or written authorization.
- (2) Only the following persons or organizations are additional insureds under this endorsement, and insurance coverage provided to such additional insureds is limited as provided herein:

#### (a) **Managers Or Lessors Of Premises**

The manager or lessor of a premises leased to you with whom you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, but only with respect to liability arising out of the ownership, maintenance or

use of that part of the premises leased to you, subject to the following additional exclusions:

This insurance does not apply to:

- (i) Any "occurrence" which takes place after you cease to be a tenant in that premises;
- (ii) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

### (b) **Lessor Of Leased Equipment**

Any person or organization from whom you lease equipment when you and such person(s) or organization(s) have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance. Such person(s) or organization(s) are insureds only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s). A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends. However, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

### (c) **Vendors**

Any person or organization (referred to below as vendor) with whom you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the

vendor's business, subject to the following additional exclusions:

(i) The insurance afforded the vendor does not apply to:

- 1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- 2) Any express warranty unauthorized by you;
- 3) Any physical or chemical change in the product made intentionally by the vendor;
- 4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- 5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- 6) Demonstration, installation, servicing

or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

7) Products which, after distribution or sale by you, have been labeled or re-labeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

a) The exceptions contained in Paragraphs (c) (i) 4) or 6) of this endorsement; or

b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(ii) This insurance does not apply to any insured person or organization:

1) From whom you have acquired such products, or any ingredient, part

or container, entering into, accompanying or containing such products; or

- 2) When liability included within the "products-completed operations hazard" has been excluded under this Coverage Part with respect to such products.

**(d) State Or Governmental Agency Or Subdivision Or Political Subdivision - Permits Or Authorizations Relating To Premises**

Any state or governmental agency or subdivision or political subdivision with which you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies:

- (i) The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures; or
- (ii) The construction, erection or removal of elevators; or
- (iii) The ownership, maintenance or use of any elevators covered by this insurance.

**(e) Mortgagee, Assignee Or Receiver**

Any person or organization with whom you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you. However, this insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- (3) The insurance afforded to additional insureds described in Paragraph **8.a.(1)** of this endorsement:

(a) Only applies to the extent permitted by law; and

(b) Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and

(c) Does not apply to any person, organization, vendor, state, governmental agency or subdivision or political subdivision, specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, provided such other provision or endorsement covers the injury or damage for which this insurance applies.

- b. With respect to the insurance afforded to the additional insureds described in Paragraph **8.a.(1)** of this endorsement, the following is added to **Section III - Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

- (1) Required by the written contract, written agreement, written permit or written authorization described



in Paragraph **8.a.(1)** of this endorsement; or

- (2) Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

- c. **Section IV - Commercial General Liability Conditions** is amended to include the following:

**Automatic Additional Insured Provision**

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

- (1) During the policy period; and
- (2) Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraph **8.a.(1)**.

- d. **Section IV - Commercial General Liability Conditions** is amended as follows:

Condition **5. Other Insurance** is amended to include:

**Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured per Paragraph **8.a.(1)** of this endorsement provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract, agreement, permit or authorization described in **8.a.(2)** of this endorsement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

**9. Property Damage To Borrowed Equipment**

- a. The following is added to **Exclusion 2.j. Damage To Property** under **Sec-**

**tion I - Coverage A - Bodily Injury And Property Damage Liability:**

Paragraphs (3) and (4) of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

- b. With respect to the insurance provided by this section of the endorsement, the following additional provisions apply:

- (1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in **Section B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment** of this endorsement with respect to coverage provided by this endorsement. These limits are inclusive of and not in addition to the limits being replaced. The Limits of Insurance shown in **Section B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment** of this endorsement fix the most we will pay in any one "occurrence" regardless of the number of:

- (a) Insureds;
- (b) Claims made or "suits" brought; or
- (c) Persons or organizations making claims or bringing "suits".

**(2) Deductible Clause**

- (a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated in **Section B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment** of this endorsement. The limits of insurance will not be reduced by the application of such Deductible Amount.
- (b) **Section IV - Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**, applies to each claim or "suit" irrespective of the amount.

- (c) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

#### 10. Employees As Insureds - Specified Health Care Services And Good Samaritan Services

Paragraph **2.a.(1)(d)** under **Section II - Who Is An Insured** does not apply to:

- a. Your "employees" who provide professional health care services on your behalf as a duly licensed nurse, emergency medical technician or paramedic in the jurisdiction where an "occurrence" or offense to which this insurance applies takes place; or
- b. Your "employees" or "volunteer workers", other than an employed or volunteer doctor, providing first aid or good samaritan services during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

#### 11. Broadened Notice Of Occurrence

Paragraph **a.** of Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions** is replaced by the following:

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

This requirement applies only when the "occurrence" or offense is known to an "authorized representative".

#### 12. Nonowned Aircraft

The following is added to **Exclusion 2.g. Aircraft, Auto Or Watercraft** under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

This exclusion does not apply to an aircraft you do not own, provided that:

- a. The pilot in command holds a current effective certificate, issued by a duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
- b. The aircraft is rented with a trained, paid crew; and
- c. The aircraft does not transport persons or cargo for a charge.

#### 13. Bodily Injury Redefined

**Section V - Definitions, 4. "Bodily injury"** is replaced by the following:

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.

#### 14. Expected Or Intended Injury Redefined

The last sentence of **Exclusion 2.a. Expected Or Intended Injury** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

#### 15. Former Employees As Insureds

The following is added to Paragraph **2.** under **Section II - Who Is An Insured**:

2. Each of the following is also an insured:

Any of your former "employees", directors, managers, members, partners or "executive officers", including but not limited to retired, disabled or those on leave of absence, but only for acts within the scope of their employment by you or for duties related to the conduct of your business.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OHIO LIABILITY COVERAGE ENHANCEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The provisions of this endorsement apply only as respects Ohio Liability Coverage afforded hereunder.

- A. For the purposes of this endorsement only, **SECTION I - COVERAGES** is amended to include the following:

**COVERAGE D. OHIO LIABILITY COVERAGE**

**1. Insuring Agreement**

- a. We will pay those sums to which this insurance applies that the insured becomes legally obligated to pay as damages because of "bodily injury" sustained by any "employee" of the insured arising out of or in the course of his or her employment by the insured, provided the "employee", at the time of the injury, was covered under a workers compensation policy and subject to a "workers compensation law". We will have the right and duty to defend any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS**.

- b. This insurance applies to "bodily injury" only if:

- (1) The "bodily injury" is caused by an "occurrence" that takes place in the "coverage territory".

- (2) Except when (3) below applies, the "bodily injury" occurs during the policy period.

- (3) Provided the "bodily injury" is a disease, the "bodily injury" is caused by or aggravated by conditions of employment by you and the injured "employee's" last day of last exposure to the conditions causing or aggravating such "bodily injury" occurs during the policy period.

- c. The damages we will pay, where recovery is permitted by law, include damages:

- (1) For:

- (a) Which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of injury to your "employee";

- (b) Care and loss of services; and

- (c) Consequential "bodily injury" to a spouse, child, parent, brother or sister of the injured "employee";

provided that these damages are the direct consequence of "bodily injury" that arises out of and in the course of the injured "employee's" employment by you; and

- (2) Because of "bodily injury" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

**2. Exclusions**

This insurance does not apply to:



**a. Contractual Liability**

Liability assumed by you under any contract or agreement;

**b. Punitive Damages**

Multiple, exemplary or punitive damages, including but not limited to any award of attorney fees, costs or interest awarded as a result of an award for multiple, exemplary or punitive damages;

**c. Violation of Laws**

"Bodily injury" suffered or caused by any "employee" while employed in violation of law with your actual knowledge or the actual knowledge of an insured;

**d. Statutory Obligations**

Any obligation of the insured under a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;

**e. Crew Members**

"Bodily injury" to a master or member of the crew of any vessel or any member of the flying crew of any aircraft;

**f. Termination, Coercion or Discrimination**

Damages arising out of coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee", or arising out of other employment or personnel decisions concerning the insured, whether or not accompanied by a "bodily injury";

**g. Intentional Injury**

"Bodily injury" caused by acts committed by or at the direction of an insured with the deliberate intent to injure or with the belief that the injury was substantially certain to occur. As used in this endorsement, substantially certain means that an insured acts with deliberate intent to cause an "employee" to suffer "bodily injury".

**h. War**

"Bodily injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these;

**i. Failure to Comply with Worker's Compensation Law**

Any claim or "bodily injury" with respect to which the insured is:

- (1) Deprived of common law defenses; or
- (2) Otherwise subject to penalty;

because of your failure to secure your obligations or other failure to comply with any "workers compensation law";

**j. Asbestos**

Damages arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**k. Federal Laws**

Any premium, assessment, penalty, fine, benefit, liability or other obligation imposed by or granted pursuant to:

- (1) The Federal Employer's Liability Act (45 USC Section 51-60);
- (2) The Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173);
- (3) The Longshore and Harbor Workers' Compensation Act (33 USC Sections 910-950);
- (4) The Outer Continental Shelf Lands Act (43 USC Section 1331-1356);
- (5) The Defense Base Act (42 USC Sections 1651-1654);
- (6) The Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942);

- (7) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872);
- (8) Any other workers compensation, unemployment compensation or disability laws or any similar law; or
- (9) Any subsequent amendments to the laws listed above;

**I. Violation of Age Laws or Employment of Minors**

"Bodily injury" suffered or caused by any person:

- (1) Knowingly employed by you in violation of any law as to age; or
- (2) Under the age of 14 years, regardless of any such law.

**3. Supplementary Payments**

The **SUPPLEMENTARY PAYMENTS - COVERAGES A and B** also apply to this insurance.

**B. WHO IS AN INSURED**

For the purposes of this endorsement only, **SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced by the following:

- 1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only

with respect to their duties as trustees.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

**C. LIMITS OF INSURANCE**

For the purposes of this endorsement only, **SECTION III - LIMITS OF INSURANCE** is amended as follows:

Item 5. is deleted in its entirety and replaced by the following:

- 5. The Each Occurrence Limit is the most we will pay for damages under Coverage D. because of all "bodily injury" arising out of any one "occurrence".

**D. CONDITIONS**

For the purposes of this endorsement only, **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, Items 2. and 5. are deleted in their entirety and replaced by the following:

**2. Duties in the Event of Occurrence, Injury, Claim or Suit**

- a. You must see to it that we or our agent are notified as soon as practicable of an "occurrence" or "bodily injury" which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or "bodily injury" took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers re-

ceived in connection with the injury, claim, proceeding or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us and assist us, as we may request, in the investigation or settlement of the claim or "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury to which this insurance may also apply; and
- (5) Do nothing after an injury occurs that would interfere with our right to recover from others.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

## 5. Other Insurance

- a. Excess - This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis.

We will have no duty to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but will be entitled to the insured's right against all those other insurers.

We will pay the amount of the loss that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Condition and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations.

- b. Method of Sharing - If all other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

## E. DEFINITIONS

For the purposes of this endorsement only, **SECTION V - DEFINITIONS** is amended as follows:

- 1. Definition **16.** is deleted in its entirety and replaced by the following:

- 16. "Occurrence" means a happening or event or continuous or repeated exposure to conditions which occur during the policy period which result in "bodily injury". All such exposure to substantially the same general conditions shall be deemed one "occurrence".

- 2. The following definition is added:

"Workers compensation law" means the workers compensation law and any occupational disease law of:

- a. The State of Ohio.
- b. Another state if the "employee" is injured as a result of operations which are necessary or incidental to the insured's Ohio operations.

This does not include provisions of any law providing non-occupational disability benefits.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA AMENDATORY  
EXCLUSION - LIABILITY ARISING FROM STATUTE OR  
REGULATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

**Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management: I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

The following exclusion is added to Paragraph **2. Exclusions** of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

This insurance does not apply to liability arising out of one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ACCESS OR DISCLOSURE OF  
CONFIDENTIAL OR PERSONAL INFORMATION AND  
DATA-RELATED LIABILITY - WITH  
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** Exclusion **2.s.** of **Section I - Coverage A - Bodily Injury and Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

- s. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

ing out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

- B.** The following is added to Paragraph **2. Exclusions** of **Section I - Coverage B - Personal and Advertising Injury Liability**:

**2. Exclusions**

This insurance does not apply to:

**Access or Disclosure of Confidential or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - LEAD LIABILITY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusions are added to Paragraph 2. **Exclusions** of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. **Exclusions** of **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead in any form emanating from any source.
2. Any loss, cost or expense arising out of, resulting from or in any way related to any:
  - a. Claim, suit, request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead in any form; or
  - b. Claim or suit by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL POLLUTANT EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, f. Pollutant** is replaced by the following:

This insurance does not apply to:

**f. Pollutant**

- (1)** "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.
- (2)** Any loss, cost or expense arising out of any:

- (a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** The following exclusion is added to Paragraph 2. Exclusions of **SECTION I - COVERAGES. COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a.** "Bodily injury" or "property damage" caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Absorption of;
- (5) Exposure to;
- (6) Existence of; or
- (7) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

- b.** Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;

- c.** Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (1) The existence of "fungi" or bacteria;

- (2) The prevention of "fungi" or bacteria;

- (3) The remediation of "fungi" or bacteria;

- (4) Any operation described in Paragraph **A. 2. b.** above;

- (5) "Your product"; or

- (6) "Your work"; or

- d.** Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **A. 2. a., b. or c.** above;

regardless of any other cause, event, material, product and / or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

- B.** The following exclusion is added to Paragraph 2. Exclusions of **SECTION I - COVERAGES. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a.** "Personal and advertising injury" caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;

- (2) Ingestion of;

- (3) Contact with;

- (4) Absorption of;

- (5) Exposure to;

- (6) Existence of; or

- (7) Presence of,



any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

- b. Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;
- c. Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:
  - (1) The existence of "fungi" or bacteria;
  - (2) The prevention of "fungi" or bacteria;
  - (3) The remediation of "fungi" or bacteria;

(4) Any operation described in Paragraph **B. 2. b.** above;

(5) "Your product"; or

(6) "Your work"; or

- d. Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **B. 2. a., b. or c.** above;

regardless of any other cause, event, material, product and / or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

- C. For the purposes of this endorsement, **SECTION V - DEFINITIONS** is amended to include the following:

"Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES - KNOWN INJURY OR DAMAGE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Paragraph d. of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 1. Insuring Agreement** is deleted in its entirety and replaced by the following:

- d. You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes the "bodily injury" or "property damage";
- (4) Becomes aware by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware of a condition from which "bodily injury" or "property damage" was substantially certain to occur.

- B. **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, r. Additional Insured Prior Knowledge** is deleted in its entirety and replaced by the following:

**r. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, part-

ners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes the "bodily injury" or "property damage";
- (4) Becomes aware by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware of a condition from which "bodily injury" or "property damage" was substantially certain to occur.

- C. **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 1. Insuring Agreement** is deleted in its entirety and replaced by the following:

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I -**

**COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY; or medical expenses under SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS.**

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided

for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.**

b. This insurance applies to "personal and advertising injury" only if:

- (1) The "personal and advertising injury" is caused by an offense arising out of your business; and
- (2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period.

**D. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions, q. Additional Insured Prior Knowledge** is deleted in its entirety.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **KANSAS CHANGES - TRANSFER OF RIGHTS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

Condition **9**. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (Section **IV**), does not apply to COVERAGE **C**. MEDICAL PAYMENTS.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDEPENDENT CONTRACTORS AS INSUREDS -  
REAL ESTATE AGENTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**WHO IS AN INSURED** (SECTION II), Paragraph 2. is amended to include as an insured any independent contractor while acting as a sales person under your real estate brokers license, but only while acting within the scope of their duties as such.

**THE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE  
FORM DECLARATIONS**

**NOTICE: INSURANCE COVERAGE UNDER ANY PARTICULAR COVERAGE INCLUDED WITHIN THIS FORM IS NOT IN FORCE UNLESS THE CORRESPONDING SECTION OF THESE DECLARATIONS HAS BEEN COMPLETED.**

Attached to and forming a part of POLICY NUMBER: EPP 053 36 25

Named Insured is the same as it appears in the Common Policy Declarations

**COVERAGE PROVISIONS** (Only those items marked by an ☒, where so indicated, are applicable):**Limits of Insurance:****Limit of Insurance:**☐ Blanket:☒ **Coverage A - Electronic Data Processing Property:** ..... \$☒ See Scheduled  
Premises  
Endorsement☒ **Coverage A - Coverage Extensions:****Limit of Insurance - Unless Otherwise Stated:**

- |  |          |   |    |
|--|----------|---|----|
| a. <b>Debris Removal:</b> .....  | \$50,000 | - | \$ |
| b. <b>Duplicate and Backup Electronic Media and Records:</b> .....                                 | \$10,000 | - | \$ |
| c. <b>Off Premises:</b> 20% of the Coverage A Limit of Insurance subject to a maximum of: \$50,000 |          |   | \$ |
| d. <b>Pollutant Clean Up and Removal</b> .....   | \$10,000 | - | \$ |
| e. <b>Recharge or Refill of a Fire Protection Device:</b> .....                                    | \$50,000 | - | \$ |
| f. <b>Third Party Host:</b> .....  | \$10,000 | - | \$ |

**Limit of Insurance:**☐ Blanket:☒ **Coverage B - Business Income and Extra Expense:** ..... \$☒ See Scheduled  
Premises  
Endorsement☒ **Coverage C - Additional Coverages:****Limit of Insurance - Unless Otherwise Stated:**

- |   |           |   |    |
|---|-----------|---|----|
| 1. <b>Denial of Service</b> .....           | \$ 10,000 | - | \$ |
| 2. <b>Loss Establishment Expenses</b> ..... | \$ 5,000  | - | \$ |
| 3. <b>Malicious Code</b> .....              | \$ 10,000 | - | \$ |
| 4. <b>Unauthorized Use</b> .....            | \$ 10,000 | - | \$ |

**Note:** The maximum aggregate Limit of Insurance for any Additional Coverage in any one "coverage term" is three times the Limit of Insurance stated here.

**Deductibles:****Deductible:****Coverage A:**

Basic: ..... \$ 1,000

Specified Losses: ..... \$ 1,000

**Coverage B:**

(Hours) 24

**FORMS AND / OR ENDORSEMENTS APPLICABLE TO ELECTRONIC DATA PROCESSING  
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**LOSS PAYEE (if any)**

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**SPECIAL PROVISIONS (if any)**

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# ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section V - Definitions**.

## Section I - Coverages

### Coverage A - Electronic Data Processing Property

#### 1. Insuring Agreement

We will pay for "loss" to Covered Property resulting from a Covered Cause of Loss.

#### 2. Covered Property

Covered Property, as used in Coverage A of this Coverage Part, means the following type of property:

- a. Your "hardware";
- b. Climate control equipment, and other electrical equipment, used exclusively with your "hardware";
- c. Your "electronic media and records";
- d. Your "telecommunications equipment";
- e. Your programming documentation and instruction manuals; and
- f. Similar property of others in your care, custody or control,

While located:

- a. On your "premises" or within one thousand (1,000) feet thereof (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**); and
- b. In the "coverage territory" (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**).

#### 3. Property Not Covered

Covered Property does not include:

- a. "Electronic media and records" that cannot be replaced with similar property of like kind and quality.
- b. Property that you have rented or leased to another person or organization and is not at your "premises".
- c. Contraband or property in the course of illegal transit or trade.
- d. "Production equipment".
- e. Copyrights, patents, trademarks, trade secrets or other intellectual property.
- f. Personally identifiable information of persons or entities other than you or your employees.
- g. Property held as samples or for sale.
- h. Records of accounts receivable.
- i. Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- j. "Electronic securities", "evidences of debt", "money" and "securities".
- k. "Valuable papers and records".

#### 4. Covered Causes of Loss

Covered Causes of Loss, with respect to Coverage A, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

#### 5. Coverage Extensions

Unless stated otherwise, the Limits of Insurance referenced in the following Coverage Extensions are in addition to, and not included within, **Section III - Limits of Insurance and Deductibles, 1. Limits of Insurance** for Coverage A.

##### a. Debris Removal

- (1) We will pay your expense to remove the debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred-eighty (180) days of the date of direct "loss".

- (2) The most we will pay under this Coverage Extension is twenty-five (25) percent (%) of:

- (a) The amount we pay for the direct "loss" to Covered Property; plus
- (b) The deductible in this Coverage Part applicable to that "loss".

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage **A**. However, if:

- (a) The sum of direct "loss" and debris removal expense exceeds the Limit of Insurance for Coverage **A**; or
- (b) The debris removal expense exceeds the amount payable under the twenty-five (25) percent (%) limitation in this Coverage Extension;

we will pay up to the additional Limit of Insurance for Debris Removal stated in the Declarations for each "premises" in any one "occurrence".

- (3) This Coverage Extension does not apply to costs to:
  - (a) Extract "pollutants" from land or water; or
  - (b) Remove, restore or replace polluted land or water.

**b. Duplicate and Backup Electronic Media and Records**

We will pay up to the Limit of Insurance for Duplicate and Backup Electronic Media and Records stated in the Declarations in any one "occurrence" for "loss" to "electronic media and records" due to a Covered Cause of Loss while such property is stored away from your "premises" other than "temporarily".

This Coverage Extension does not apply to "loss" insured under the Third Party Host Coverage Extension.

**c. Off Premises**

We will pay up to the Limit of Insurance for Off Premises stated in the Declarations in any one "occurrence" for "loss" to Covered Property due to a Covered Cause of Loss while such property is away from your "premises":

- (1) "Temporarily" in transit;

- (2) "Temporarily" in storage; or
- (3) In the custody of your employee for the purpose of conducting your business.

This is not an additional Limit of Insurance. It is included within the Coverage **A** Limit of Insurance.

This Coverage Extension applies to Covered Property whether or not it is located within the "coverage territory".

If the Limit of Insurance stated in the Declarations is other than the \$50,000 maximum stated, then the Limit of Insurance that applies to all "loss" in any one "occurrence" is the greater of the limit stated or the twenty percent (20%) of the Coverage **A** Limit of Insurance limitation.

**d. Pollutant Clean Up and Removal**

- (1) We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants":
  - (a) Is from Covered Property;
  - (b) Is caused by a Covered Cause of Loss; and
  - (c) Occurs during the policy period.

The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the Covered Cause of Loss occurs.

- (2) This Coverage Extension does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.
- (3) The most we will pay under this Coverage Extension for each "premises" for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term" is the Limit of Insurance stated in the Declarations for Pollutant Clean Up and Removal.

**e. Preservation of Property**

If it is necessary to move Covered Property from the "premises" to preserve it from "loss" by a Covered Cause of Loss, we will pay for any direct "loss" to that property:

- (1) While it is being moved or while "temporarily" stored at a location other than a "premises"; and
- (2) Only if the "loss" occurs within thirty (30) days after the property is first moved.

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage **A**.

**f. Recharge or Refill of a Fire Protection Device**

We will pay for your expense to recharge or refill any fire protective devices that are designed specifically to protect Covered Property when these devices have been discharged in a "loss" insured by Coverage **A** of this Coverage Part or have been accidentally discharged. The most we will pay in any one "loss" or "sudden and accidental" discharge is the Limit of Insurance for Recharge or Refill of a Fire Protection Device stated in the Declarations.

**g. Third Party Host**

We will pay up to the Limit of Insurance for Third Party Host stated in the Declarations in any one "occurrence" for "loss" to:

Your "electronic media and records" away from your "premises" due to a Covered Cause of Loss, but only while such "electronic media and records" are hosted in the "hardware" of a third party information technology provider, with whom you have directly contracted for such service.

This is not an additional Limit of Insurance. It is included within the Coverage **A** Limit of Insurance.

This Coverage Extension:

- (1) Applies to "electronic media and records" whether or not they are located within the "coverage territory"; and
- (2) Does not apply to "loss" insured under the Duplicate and Backup Electronic Media and Records Coverage Extension.

**h. Newly Acquired Property**

We will provide coverage as follows:

- (1) On newly acquired Covered Property up to the total limit shown on the Declarations Page for Total Covered Property whether located at a current location or newly acquired location,

but in no event shall we pay more than \$250,000 under this Coverage Extension for any one "loss".

You will report such newly acquired property, or Covered Property already insured by this policy which is moved to a newly acquired location, to us within 90 days from the date the Covered Property is acquired or moved, as the case may be, and pay any additional premium due. If you do not report such property or movement of property, coverage will cease automatically after the 90 days has elapsed. However, in no event shall coverage be extended beyond the expiration of this policy.

**Coverage B - Business Income and Extra Expense**

**1. Insuring Agreement**

We will pay your actual loss of "business income" as well as "extra expense" that results from the necessary "suspension" of your "operations" during the "period of restoration" due to "loss" to Covered Property resulting from a Covered Cause of Loss.

**2. Covered Property**

Covered Property, as used in Coverage **B** of this Coverage Part, is the same as that applicable to Coverage **A**.

**3. Property Not Covered**

Covered Property does not include Property Not Covered under Coverage **A**.

**4. Covered Causes of Loss**

Covered Causes of Loss, with respect to Coverage **B**, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

**5. Additional Coverage**

This Additional Coverage does not provide additional Limits of Insurance.

**Extended Business Income**

If the necessary "suspension" of your "operations" produces a "business income" loss payable under this Coverage Part, we will pay for the actual loss of "business income" you incur during the period that:

- a. Begins on the date Covered Property is actually repaired, rebuilt or replaced and "operations" are resumed; and
- b. Ends on the earlier of:

- (1) The date you could restore your "operations", with reasonable speed, to the level which would generate the "business income" that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or

- (2) Sixty (60) consecutive days after the date determined in **5.a.** above.

However, Extended Business Income does not apply to loss of "business income" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where your "premises" are located.

### **Coverage C - Additional Coverages**

The Limits of Insurance provided in the following Additional Coverages are included within and are not in addition to the Limits of Insurance applicable to Coverages **A** or **B**, unless stated otherwise therein.

#### **1. Denial of Service**

We will pay up to the Limit of Insurance stated in the Declarations for Denial of Service for loss of "business income" or "extra expense" under Coverage **B** caused by a "denial of service".

#### **2. Loss Establishment Expenses**

Subsequent to the detection of a potential "loss" insured under Coverage **A** or **B**, we will pay up to the Limit of Insurance stated in the Declarations for "loss establishment expenses" incurred within ninety (90) days of the detection of the "loss" or potential "loss".

This Limit of Insurance is in addition to the Limits of Insurance for Coverages **A** and **B**.

#### **3. Malicious Code**

We will pay up to the Limit of Insurance stated in the Declarations for Malicious Code for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from the introduction of a "malicious code" to your "electronic media and records" or "hardware" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;

- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

#### **4. Unauthorized Use**

We will pay up to the Limit of Insurance stated in the Declarations for Unauthorized Use for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from "unauthorized use" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;
- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

### **Section II - Exclusions**

#### **Coverage A - Electronic Data Processing Property and Coverage B - Business Income and Extra Expense - Exclusions**

The following exclusions apply to Coverages **A** and **B**, unless stated otherwise herein:

1. We will not pay for a "loss", loss of "business income" or "extra expense" caused directly or indirectly by any of the following. Such "loss", loss of "business income" or "extra expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss", loss of "business income" or "extra expense":

##### **a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Part.

##### **b. Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or



- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause.
- c. Satellite Communications**
- The disruption or failure of any satellite communication system, or any part thereof.
- d. War and Military Action**
- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
- e. Utility Interruption**
- The intentional suspension of any utility service by you or the utility provider.
- f. Tidal Wave or Tsunami**
- Tidal wave or tsunami, even if attributable to an earthquake or volcanic eruption.
2. We will not pay for "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following:
- a.** Delay or loss of market, except as may be provided under Coverage B.
- b.** Dishonest or criminal acts by you, any of your partners, directors, trustees, officers, members or managers (if you are a limited liability company) or anyone entrusted with the property, except employees, whether or not acting alone or in collusion with others or whether or not occurring during the hours of employment. But this exclusion does not apply to a carrier for hire.
- c.** Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".
- d.** Interruption, disruption, or slow down in normal network service or function due to activity on the network or network server.
- This exclusion does not apply to "denial of service".
- e.** Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- f.** Unauthorized instructions to transfer property to any person or to any place.
- g.** Bookkeeping, accounting or billing errors or omissions.
- h.** Any processing or work upon Covered Property. But if "loss" by fire results, we will pay for that resulting "loss", loss of "business income" or "extra expense".
- i.** "Denial of service", "malicious code" or "unauthorized use".
- However, this exclusion shall not apply to the extent that insurance coverage is provided under **Section I - Coverages, Coverage C - Additional Coverages**.
3. We will not pay for a "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following. But if "loss", loss of "business income" or "extra expense" caused by a Covered Cause of Loss results, we will pay for that resulting "loss", loss of "business income" or "extra expense":
- a.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- b.** Wear and tear, hidden or latent defect, gradual deterioration, or depreciation.
- c.** The failure of "hardware" or "electronic media and records" to function as designed or anticipated to function by you or any other person or organization providing, designing or recommending said "hardware" or "electronic media and records" to you.
- However, this exclusion will not apply if the failure of "hardware" or "electronic media and records" to function is caused by:
- (1) A Covered Cause of Loss emanating from a source external to the "hardware" or "electronic media and records"; or
- (2) The "sudden and accidental" "mechanical breakdown" of "hardware".

4. Insurance provided by Coverages **A** and **B** does not apply to:

- a. Payment of costs, fees, or other expenses you incur in establishing either the existence or the amount of "loss", loss of "business income" or "extra expense", except as provided for under **Section I - Coverages, Coverage C - Additional Coverages, 2. Loss Establishment Expenses**.
- b. "Loss", loss of "business income" or "extra expense", or any part thereof, the proof of which as to its existence or amount is dependent solely upon:
  - (1) An inventory computation;
  - (2) A profit and loss computation; or
  - (3) An audit of records.

5. Insurance provided by Coverage **A** does not apply to loss of "business income" or "extra expense".

**Section III - Limits of Insurance and Deductibles**

**1. Limits of Insurance**

- a. The most we will pay for any one "occurrence" is the applicable Limits of Insurance for Coverages **A** and **B** and **Coverage C - Additional Coverages, 2. Loss Establishment Expenses** stated in the Declarations or any endorsement amendatory thereof.
- b. With respect to **Section I - Coverages, Coverage C - Additional Coverages**:
  - (1) Under **Coverage C - Additional Coverages, 2. Loss Establishment Expenses**, we will not pay more than the lesser of:
    - (a) The Limit of Insurance stated in the Declarations for Loss Establishment Expenses; or
    - (b) The actual cost of the "loss" insured under Coverages **A** or **B** in "Loss establishment expenses".
  - (2) In the event that a single "occurrence" involves one or more of the following:
    - (a) "Denial of service";
    - (b) "Malicious code"; or
    - (c) "Unauthorized use",
 the most we will pay in total is the single highest Limit of Insurance ap-

plicable to the Additional Coverages applicable to the "loss".

- (3) The most we will pay for all "loss" in any "coverage term" for each Additional Coverage is three times the Limit of Insurance stated for each in the Declarations.

**2. Deductibles**

**a. Coverage A**

We will not pay for "loss" in any one "occurrence" until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Deductible section of the Declarations for Coverage **A**. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

- (1) The Basic Deductible shown on the Declarations applies to "loss" from all Covered Causes of Loss except those referenced in (2) below.
- (2) The Specified Losses Deductible shown on the Declarations applies to "loss" caused by "sudden and accidental" "mechanical breakdown" or artificially generated electrical disturbance.

**b. Coverage B**

We will not pay your actual loss of "business income" or "extra expense" arising from any one "loss" until and unless the necessary "suspension" of your "operations" has exceeded the Deductible in hours stated in the Declarations for Coverage **B**. We will then pay the amount of your actual loss of "business income" or "extra expense" in excess of the Deductible, up to the Limit of Insurance.

**c. Coverage C**

We will not pay for "loss", loss of "business income", "extra expenses" or "loss establishment expenses" under **Section I - Coverages, Coverage C - Additional Coverages** unless and until an insured "loss", loss of "business income" or "extra expenses" under Coverage **A** or **B** exceeds their deductible.

**Section IV - Additional Conditions**

The following Conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**1. Coverage A - Electronic Data Processing Property - Conditions**

The following Condition applies to Coverage **A** only:

**Valuation**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, F. Valuation** is replaced by the following with respect to Covered Property under Coverage **A**:

- a. Valuation of Covered Property under Coverage **A**, other than that described in Paragraph **b.** below:

If you repair or replace this property with due diligence following "loss", the property will be valued at the full cost of repair or replacement. However, the most we will pay is the least of the following:

- (1) The cost of replacing that property with property of similar or greater quality and function, provided the cost is no greater than the original purchase price of the property plus twenty (20) percent (%);
- (2) The amount you actually and necessarily spend to repair or replace the property; or
- (3) The Limit of Insurance applicable to the property.

If you do not repair or replace this property with due diligence following "loss", the most we will pay will be the least of the following:

- (a) The "actual cash value" of the property;
- (b) The "actual cash value" of repairs with material of like kind and quality; or
- (c) The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in "money".

In the event of "loss", the value of property will be determined as of the date of "loss".

- b. Valuation of "electronic media and records":
- (1) We will not pay for more than the actual reproduction costs of covered "electronic media and records".
  - (2) But we will not pay the cost to duplicate research or operations that were developed away from your "premises" that led to the develop-

ment of your "electronic media and records" or that led to the development of any proprietary or confidential information or intellectual property.

- (3) If you do not replace or reproduce the "electronic media and records", the most we will pay is the cost of blank "electronic media and records".

The most we will pay is the Limit of Insurance shown on the Declarations.

**2. Coverage B - Business Income and Extra Expense - Conditions**

The following Conditions apply to Coverage **B** only:

**a. Appraisal**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, B. Appraisal** is replaced by the following:

If you and we disagree on the amount of Net Income and operating expense or the amount of loss, either may make a written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that a judge of a court having jurisdiction make selection. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**b. Loss Determination**

- (1) The amount of "business income" loss will be determined based on:
  - (a) The Net Income of the business before the Covered Cause of Loss occurred;
  - (b) The likely Net Income of the business if no Covered Cause of Loss had occurred, but not including any Net Income that likely would have resulted from an increase in the volume of



business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

- (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the Covered Cause of Loss; and
  - (d) Other relevant sources of information, including:
    - 1) Your financial records and accounting procedures;
    - 2) Bills, invoices and other vouchers; and
    - 3) Deeds, liens or contracts.
- (2) The amount of "extra expense" will be determined based on:
- (a) All necessary and reasonable expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no Covered Cause of Loss had occurred. We will deduct from the total of such expenses:
    - 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
    - 2) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
  - (b) All necessary and reasonable expenses that reduce the "business income" loss that otherwise would have been incurred.

### c. Resumption of Operations

- (1) We will reduce the amount of your:
  - (a) "Business income" loss other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise

or stock) at the "premises" or elsewhere.

- (b) "Extra expense" loss to the extent you can return "operations" to normal and discontinue such "extra expense".

- (2) If you do not resume "operations" or do not resume "operations" as quickly as possible, we will pay based on the length of time it should have taken with due diligence to resume operations as quickly as possible.

### 3. Common Conditions

The following Conditions apply to all Coverages provided under this Coverage Part:

#### a. Duties in the Event of Loss

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, C. Duties in the Event of Loss** is replaced by the following:

- (1) In the event of:

- (a) "Loss" to Covered Property; or
- (b) Loss of, or loss from damage to Covered Property, or a situation that may result in loss of, or loss from damage to Covered Property,

You must see that the following are done:

- 1) Notify the police if a law may have been broken.
- 2) Notify us as soon as possible. Include a description of any property involved.
- 3) As soon as possible, give us a description of how, when and where the loss occurred.
- 4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside in the best possible order for examination.

- 5) As often as may be reasonably required, permit us to:
    - a) Inspect the property proving the loss;
    - b) Examine your books, records, "electronic media and records" and "hardware";
    - c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
    - d) Make copies from your books, records, "electronic media and records" and "hardware".
  - 6) Send us signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - 7) Cooperate with us in the investigation or settlement of the claim.
  - 8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
  - 9) Make no statement that will assume any obligation or admit any liability, for any loss for which we may be liable, without our prior written consent.
  - 10) Promptly send us any legal papers or notices received concerning the loss.
- (2) We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

**b. Blanket Insurance**

If blanket insurance is indicated (☒) in the Declarations, the Limit of Insurance for that Coverage applies to all "premises" within the "coverage territory".

**c. Joint Insured**

- (1) If more than one Insured is named in the Declarations, the first Named In-

sured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered under this policy, then the next Named Insured will become the first Named Insured.

- (2) If any Insured or partner, officer, or member or manager (applicable to limited liability companies) of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An employee of any Insured is considered to be an employee of every Insured.
- (4) If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

**d. Legal Action Against Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, B. Legal Action Against Us** is replaced by the following:

No one may bring legal action against us under this Coverage Part unless:

- (1) There has been full compliance with all the terms of this Coverage Part;
- (2) At least ninety (90) days has passed since you filed proof of loss with us; and
- (3) Brought within two (2) years from the date you discover the loss in question.

**e. Loss Payee**

For Covered Property in which both you and a Loss Payee listed in the Declarations have an insurable interest, we will:

- (1) Adjust "losses" with you; and
- (2) Pay any claim for insured "loss" jointly to you and the Loss Payee, as interests may appear.

**f. Multi-Year Policies**

If this Coverage Part is issued for more than one annual policy period, the premium may be adjusted at the inception of each following "coverage term" based on our rates in effect at that time.

**g. Non-Accumulation of Limits of Insurance**

Regardless of the number of "coverage terms" this insurance remains in force or the number of premiums paid, no Limit of Insurance accumulates from year to year or period to period.

**h. Other Insurance**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, F. Other Insurance** is replaced by the following:

- (1) If you have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- (2) If there is other insurance covering the same loss or damage, other than that described in (1) above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- (3) Irrespective of Paragraphs h.(1) or (2) above, this Coverage Part is always excess of a "service agreement". We will pay only the amount of insured "loss" that is not covered by the "service agreement" in the form of repairs or other compensation. But we will not pay more than the applicable Limit of Insurance.

**i. Protective Safeguards**

You must maintain the protective safeguards stated by you to be in effect at a "premises" when this coverage began.

If you fail to keep the protective safeguards:

- 1) In working condition at a "premises"; and
- 2) In operation when you are closed to business;

Coverage for which the protective safeguards apply is automatically suspended at that "premises" if you fail to notify us immediately. This suspension will last until the equipment or services are back in operation.

**j. Recoveries**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, I. Recoveries** is replaced by the following:

- (1) Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
  - (a) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance plus the Deductible Amount, if any;
  - (b) Then to us, until we are reimbursed for the settlement made;
  - (c) Then to you, until you are reimbursed for that part of loss equal to the Deductible Amount, if any.
- (2) You will pay us the amount of all recoveries you receive for a "loss" paid by us. But any recoveries in excess of the amount we have paid belong to you.
- (3) Recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for our benefit.

**k. Transfer of Your Rights of Recovery Against Others to Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, K. Transfer of Rights of Recovery Against Others to Us** is replaced by the following:

You must transfer to us all of your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

**Section V - Definitions**

The following terms, when appearing in quotation marks, have the following meanings wherever used in this Coverage Part:

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.

2. "Business income" means the:
  - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses incurred, including payroll.
3. "Computer system" means a configuration of "hardware" and "electronic media and records", including "telecommunications equipment" which may be integrated into or connected to such "hardware", purposely designed to perform a particular function or functions.
4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
5. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
6. "Denial of service" means the malicious and intentional inundating of your "computer system" with messages, instructions, queries or requests that deplete resources enough to restrict, limit or prevent access for the purposes of nuisance, sabotage or malicious tampering which has the effect of:
  - a. Depleting system resources available through the Internet to authorized external users of your "computer system"; and
  - b. Impeding Internet access of authorized external users to your "computer system".
7. "Electronic media and records" means information, facts, instructions, concepts and programs converted and stored in a form usable in "hardware". It also includes the materials, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs, upon which such information, facts, instructions, concepts and programs are recorded and stored.
8. "Electronic securities" means any share, participation, or other interest in property of, or an enterprise of, the issuer or an obligation of the issuer which:
  - a. Is a type commonly dealt in upon securities exchanges or markets;
  - b. Is either one of a class or series or by its terms divisible into a class or series of shares, participations, interests, or obligations; and
    - (1) Is not represented by an instrument;
    - (2) Is part of a master or global certificate; or
    - (3) Represents a paper certificate that has been surrendered by a financial institution and which paper certificate has been combined into a master depository note and the paper certificates are immobilized and such security is shown as an electronic entry on the account of the transferor, pledgor, or pledgee on the books of a Central Depository.
9. "Evidences of debt" means instruments executed by your customer and held by you which in the regular course of business are treated as evidencing the customer's debt to you, including records of charges and accounts receivable.
10. "Extra expense" means the necessary and reasonable expenses you incur during the "period of restoration" that you would not have incurred if there had been no "loss" due to a Covered Cause of Loss to Covered Property.
11. "Hardware" means an assemblage of electronic machine components capable of accepting and processing "electronic media and records" for the purpose of producing desired results.  
  
However, "hardware" does not include "telecommunications equipment".
12. "Loss" means:

- a. "Sudden and accidental" physical loss or physical damage; and
  - b. With respect only to "denial of service", "malicious code" or "unauthorized use", also includes "sudden and accidental" damage, loss of use, loss of access or loss of functionality.
13. "Loss establishment expenses" means actual and necessary expenses incurred at our request to assist you in establishing either the existence or the amount of loss insured under this Coverage Part.
14. "Malicious code" means a computer code created for the purpose of destroying, corrupting or otherwise adversely affecting a "computer system".
15. "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blow-out.
16. "Money" means:
- a. Currency, coins, and bank notes in current use and having a face value;
  - b. Travelers checks, registered checks, and money orders held for sale to the public; and
  - c. Electronic cash equivalents.
17. "Occurrence" means an act or event or a series of related acts or events that result in a Covered Cause of Loss.
18. "Operations" means your business activities occurring at the "premises".
19. "Other property" means any tangible property of value other than "money", "securities", "electronic securities", or "electronic media and records".
- However, "other property" does not include copyrights, patents, trademarks, trade secrets or other intellectual property.
20. "Period of restoration" means that period of time that:
- a. Begins with the end of the time deductible for Coverage **B** referenced in the Declarations. Such deductible commences on the date and time of direct "loss" to Covered Property due to a Covered Cause of Loss; and
  - b. Ends on the earlier of:
    - (1) The date you could restore your "operations", with reasonable speed, to the condition that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or
    - (2) As long as it would reasonably take to repair, rebuild or replace the damaged Covered Property.
21. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
22. "Premises" means any building you lease, rent or own and while you occupy it in conducting your business.
23. "Production equipment" means any machinery and related components, including any integrated or dedicated "computer system", which is used, or can be used, to produce or process other tangible property.
24. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or "other property" and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - b. "Evidences of debt" issued in connection with credit or charge cards not issued by you.
25. "Service agreement" means a service plan or warranty, or other similar service or warranty agreement, even if it is characterized as insurance.
26. "Specified causes of loss" means: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
- a. Sinkhole collapse means the "sudden and accidental" sinking or collapse of



- land into underground empty spaces created by the action of water on limestone or dolomite. This cause of "loss" does not include:
- (1) The cost of filling sinkholes; or
  - (2) Sinking or collapse of land into manmade underground cavities.
- b. Falling objects does not include "loss" to:
- (1) Covered Property in the open; or
  - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means "sudden and accidental" discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
27. "Sudden and accidental" means abrupt, immediate and brief as well as unintended and unexpected and without prior notice.
28. "Suspension" means the complete or partial cessation of your business activities.
29. "Telecommunications equipment" means telephones, including any related switching systems or similar equipment, fax machines and other similar equipment used to transmit voice or "electronic media and records" communications over telephone lines, data lines or air waves.
- However, "telecommunications equipment" does not include "hardware".
30. "Temporarily" means:
- a. Not permanently; and
  - b. For a period of 30 consecutive days or less.
31. "Unauthorized use" means:
- a. Illegal or malicious entry into your "computer system" by a person not authorized to do so by you which results in the distortion or corruption of such "computer system"; or
  - b. Entry into or use of your "computer system" by a party:
    - (1) Not authorized by you to do so; or
    - (2) Authorized by you to do so, but who does so to use it in an unauthorized manner,

Which results in the distortion or corruption of your "computer system".
32. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE PART**

**Section IV - Additional Conditions, 3. Common Conditions** is amended to include the following:

#### **Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**C. Duties in the Event of Loss**

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
5. Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our consent.
6. Permit us to inspect the property and records proving "loss".

7. If requested, permit us to question you under oath, at such times as may be reasonably required, about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Promptly send us any legal papers or notices received concerning the "loss".
10. Cooperate with us in the investigation or settlement of the claim.

**D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

**E. Loss Payment**

We will pay or make good any "loss" covered under this Coverage Part within 30 days after:

1. We reach agreement with you;
2. The entry of final judgment; or
3. The filing of an appraisal award.

We will not be liable for any part of a "loss" that has been paid or made good by others.

**F. Other Insurance**

If you have other insurance covering the same "loss" as the insurance under this Coverage Part, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not.

**G. Pair, Sets or Parts**

**1. Pair or Set**

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

**2. Parts**

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.



**H. Privilege to Adjust with Owner**

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

**I. Recoveries**

Any recovery or salvage on a "loss" will accrue entirely to our benefit until the sum paid by us has been made up.

**J. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which event we will refund the unearned premium on that item.

**K. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them.

**GENERAL CONDITIONS****A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;

3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

**B. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the "loss".

**C. Liberalization**

If, within 45 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

**D. No Benefit to Bailee**

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

**E. Policy Period**

We cover "loss" commencing during the policy period shown in the Declarations.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before "loss"; or
3. The cost of replacing that property with substantially identical property.

In the event of "loss", the value of property will be determined as of the time of "loss".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULED PREMISES ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE PART**

**I. Schedule:**

Location Number	Coverage A Limit of Insurance	Coverage B Limit of Insurance
1 - 1	470,000	10,000

**Blanket Insurance:**

Location Number	Coverage A Limit of Insurance	Coverage B Limit of Insurance
-----------------	----------------------------------	----------------------------------

**Newly Acquired Property**

Limit of Insurance: \$250,000 - Unless Otherwise Stated

**II. Section I - Coverages** is amended as follows:

**Section I - Coverages, Coverage A - Electronic Data Processing Property, Paragraph 5. Coverage Extensions** is amended to include the following:

**NEWLY ACQUIRED PROPERTY**

- (1) We will pay up to the Limit of Insurance for Newly Acquired Property stated in the Schedule of this endorsement in any one "occurrence" for "loss" to "newly acquired" Covered Property due to a Covered Cause of Loss:
  - (a) In excess of the Limit of Insurance for Coverage **A** applicable to the "premises" stated in the Schedule of this endorsement; or
  - (b) At a location you lease, rent or own in the "coverage territory" and while you occupy it in conducting your business, but which has not yet been reported to us as a "premises".
- (2) You will report such "newly acquired" Covered Property to us within ninety (90) days of its acquisition and pay any additional premium due. Insurance coverage under this Coverage Extension ceases at the earlier of:
  - (a) Ninety (90) days elapsing from the date of acquisition; or
  - (b) The expiration of the policy period.

**III. Section IV - Additional Conditions** is amended as follows:

3. **Common Conditions, b. Blanket Insurance** is hereby deleted and replaced by the following:

**b. Blanket Insurance**

If blanket insurance is indicated by (☒) in the Schedule of the Scheduled Premises Endorsement, the Limit of Insurance for each Coverage applies to all "premises" listed in the endorsement.

**IV. Section V - Definitions** is amended as follows:

**A. Definition 22.** "Premises" is hereby deleted and replaced by the following:

**22.** "Premises" means any building located at an address referenced in the Schedule of the Scheduled Premises Endorsement you lease, rent or own and while you occupy it in conducting your business.

**B.** The following definition is added:

"Newly acquired" means:

**a.** First acquired; or

**b.** First moved to a new location within the "coverage territory" not yet reported to us as a "premises",

since the inception of the current "coverage term".

**THE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**SIGNS COVERAGE PART DECLARATIONS**Attached to and forming part of POLICY NUMBER: **EPP 053 36 25**

Named Insured is the same as it appears in the Common Policy Declarations

Loc. No.            Location (address)

**COVERAGE PREMIUM: INCL  
COVERAGE PROVISIONS**

Item    Lettering			
A.		<b>Limit of Insurance</b>	<b>Ded.</b>
Loc. No.			
	<b>BLANKET LOCATIONS</b>	<b>\$    175,000</b>	<b>5%</b>
B.	All Covered Property at all locations	<b>\$    175,000</b>	

**DEDUCTIBLE**The Deductible amount is: ☐ Full Coverage ☐ 5% **SEE ABOVE****FORMS AND / OR ENDORSEMENTS APPLICABLE TO SIGNS COVERAGE****CM0028    07/90   SIGNS COVERAGE FORM****MA135    11/99   COMMERCIAL INLAND MARINE CONDITIONS****LOSS PAYEE (if any)****SPECIAL PROVISIONS (if any)**

**QUICK REFERENCE**  
**COMMERCIAL INLAND MARINE COVERAGE PART**  
**READ YOUR POLICY CAREFULLY**

**DECLARATIONS PAGE**

Named Insured

Coverages and Limits of Insurance

**COVERAGE FORM(S)**

**A. COVERAGE**

1. Covered Property
2. Property Not Covered
3. Covered Causes of Loss
4. Additional Coverage - Collapse

**B. EXCLUSIONS**

- Governmental Action
- Nuclear Hazard
- War and Military Action
- Other Exclusions

**C. LIMITS OF INSURANCE**

**D. DEDUCTIBLE (IF APPLICABLE)**

**E. ADDITIONAL CONDITIONS**

**F. DEFINITIONS**

**ENDORSEMENTS (IF APPLICABLE)**

**COMMERCIAL INLAND MARINE CONDITIONS**

**LOSS CONDITIONS**

- A. Abandonment
- B. Appraisal
- C. Duties in the Event of Loss
- D. Insurance Under Two or More Coverages
- E. Loss Payment
- F. Other Insurance
- G. Pair, Sets or Parts
- H. Privilege to Adjust With Owner
- I. Recoveries
- J. Reinstatement of Limit After Loss
- K. Transfer of Rights of Recovery Against Others to Us

**GENERAL CONDITIONS**

- A. Concealment, Misrepresentation or Fraud
- B. Legal Action Against Us
- C. Liberalization
- D. No Benefit to Bailee
- E. Policy Period
- F. Valuation

**COMMON POLICY CONDITIONS**

- A. Cancellation
- B. Changes
- C. Examination of Your Books and Records
- D. Inspections and Surveys
- E. Premiums
- F. Transfer of Your Rights and Duties Under this Policy

## SIGNS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F--DEFINITIONS.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

1. **COVERED PROPERTY**, as used in this Coverage Form, means:

- a. Your signs; and
- b. Similar property of others in your care, custody or control.

2. **PROPERTY NOT COVERED**

Covered Property does not include contraband, or property in the course of illegal transportation or trade.

3. **COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

4. **ADDITIONAL COVERAGE--COLLAPSE**

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

- a. Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; all only as covered in this Coverage Form;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;
- f. Use of defective materials or methods in construction, remodeling or renovating if the collapse occurs during the course of the construction, remodeling or renovating.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

### B. EXCLUSIONS

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss."

#### a. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

#### b. NUCLEAR HAZARD

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

#### c. WAR AND MILITARY ACTION

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for a "loss" caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.
- b. Breakage during transportation, or breakage during installation, repairing or dismantling.

But we do insure against such "loss" caused directly by fire, lightning, or by accident to the vehicle carrying the property if these causes of "loss" would be covered under this Coverage Form.

#### c. Dishonest acts by:

- (1) You, your employees or authorized representatives;

- (2) Anyone else with an interest in the property, or their employees or authorized representatives; or
- (3) Anyone else to whom the property is entrusted.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

But this exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire.

- d. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

- e. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - f. Unauthorized instructions to transfer property to any person or to any place.
3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the "loss."
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or

- (4) Maintenance;

of part or all of any property wherever located.

- d. Collapse except as provided in the Additional Coverage--Collapse section of this Coverage Form.
- e. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration; mechanical breakdown; dampness, cold or heat.

## C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

## D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

## E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

### 1. COVERAGE TERRITORY

We cover property wherever located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

### 2. COINSURANCE

All Covered Property, except property in transit, must be insured for its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the Limit of Insurance shown in the Declarations for all Covered Property at all locations bears to the total value of all property at all locations as of the time of "loss." This penalty will not apply to property in transit.

## F. DEFINITIONS

"Loss" means accidental loss or damage.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**C. Duties in the Event of Loss**

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
5. Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our consent.
6. Permit us to inspect the property and records proving "loss".

7. If requested, permit us to question you under oath, at such times as may be reasonably required, about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Promptly send us any legal papers or notices received concerning the "loss".
10. Cooperate with us in the investigation or settlement of the claim.

**D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

**E. Loss Payment**

We will pay or make good any "loss" covered under this Coverage Part within 30 days after:

1. We reach agreement with you;
2. The entry of final judgment; or
3. The filing of an appraisal award.

We will not be liable for any part of a "loss" that has been paid or made good by others.

**F. Other Insurance**

If you have other insurance covering the same "loss" as the insurance under this Coverage Part, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not.

**G. Pair, Sets or Parts**

**1. Pair or Set**

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

**2. Parts**

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.



**H. Privilege to Adjust with Owner**

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

**I. Recoveries**

Any recovery or salvage on a "loss" will accrue entirely to our benefit until the sum paid by us has been made up.

**J. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which event we will refund the unearned premium on that item.

**K. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them.

**GENERAL CONDITIONS****A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;

3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

**B. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the "loss".

**C. Liberalization**

If, within 45 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

**D. No Benefit to Bailee**

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

**E. Policy Period**

We cover "loss" commencing during the policy period shown in the Declarations.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before "loss"; or
3. The cost of replacing that property with substantially identical property.

In the event of "loss", the value of property will be determined as of the time of "loss".

**TITLE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**REAL ESTATE ERRORS AND OMISSIONS  
INSURANCE COVERAGE PART DECLARATIONS**

Attached to POLICY NUMBER:		Effective Date: 05-02-2019		
Named Insured is the same as it appears in the Common Policy Declarations unless another entry is made here.				
<b>Limits of Insurance</b>  <div style="display: flex; justify-content: space-between;"> <span>Each Professional Incident</span> <span>\$ <u>1,000,000</u></span> </div> <div style="display: flex; justify-content: space-between;"> <span>Aggregate</span> <span>\$ <u>1,000,000</u></span> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <span>Deductible - Each Professional Incident</span> <span>\$ <u>50,000</u></span> </div>				
CLASSIFICATION	CODE NO.	PREMIUM BASE (S - Gross Income E - Each)	RATE	ADVANCE PREMIUM
Real Estate Services	26070	C) 2,088,087	.203	\$ 4,245
Licensed Real Estate Agents	26070	E)		\$
Notary Public Errors and Omissions	26070	I)		\$
The Real Estate Errors and Omissions Insurance Coverage Part is subject to an annual minimum premium.	TOTAL ANNUAL PREMIUM			\$ 4,245
<b>FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:</b> PA 15 06/17				

# REAL ESTATE ERRORS AND OMISSIONS INSURANCE COVERAGE FORM

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# REAL ESTATE ERRORS AND OMISSIONS INSURANCE COVERAGE FORM

Various provisions in this Coverage Part restrict coverage. Read the entire Coverage Part carefully to determine rights, duties and what is and what is not covered.

Throughout this Coverage Part the words 'you' and 'your' refer to the Named Insured shown in the Declarations. The words 'we', 'us' and 'our' refer to the Company providing this insurance.

The word 'insured' means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

## SECTION I - COVERAGE

### 1. Insuring Agreement

- a. We will pay those sums, in excess of the deductible amount, as stated in the Declarations, which the Insured becomes legally obligated to pay as 'damages' due to injury or 'interrelated injury' caused by a 'professional incident' or 'interrelated professional incidents'. We will have the right and duty to defend any 'suit' seeking those 'damages'. However, we will have no duty to defend the Insured against any 'suit' seeking 'damages' to which this insurance does not apply. We may, at our discretion, investigate any 'professional incident' and settle any claim or 'suit' that may result. But:

- (1) The amount we will pay for 'damages' is limited as described in **SECTION III - LIMITS OF INSURANCE**; and

- (2) Our right and duty to defend ends when we have used the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SECTION I - COVERAGE, Paragraph 3, Supplementary Payments**.

- b. This insurance applies to injury only if the 'professional incident' or 'interrelated professional incidents' take place:

- (1) In the 'coverage territory'; and  
(2) During the 'coverage term'.

For the purposes of this insurance 'interrelated professional incidents' will be deemed to only occur in the 'coverage term' in which the first negligent act, error or omission in a related series occurred.

### 2. Exclusions

This insurance does not apply to:

#### a. Abuse or Molestation

Any liability based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual, alleged or threatened abuse or molestation of any person.

#### b. Aircraft, Auto or Watercraft

Injury arising out of the ownership, maintenance, operation, use, entrapment, handling or loading of any motor vehicle, trailer, watercraft, or aircraft.

#### c. Asbestos

- (1) Injury arising out of, attributable to, or in any way related to asbestos in any form or transaction in any manner or  
(2) Any claim or 'suit' arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of asbestos.

#### d. Bodily Injury, Personal and Advertising Injury or Property Damage

'Bodily injury', 'personal and advertising injury' or 'property damage'.

#### e. Common Control

A claim or 'suit' made or brought by any entity or individual which:

- (1) Is wholly or partially owned, operated, managed, or controlled by any insured;  
(2) Is wholly or partially owned, operated, managed, or controlled by any insured;  
(3) Is wholly or partially under the same ownership, operation, management, or financial control as the insured.

#### f. Contractual Liability

Any obligation or liability of others assumed by an Insured under any contract or agreement, either oral or written, except to the extent the Insured would have

been liable in the absence of the contract or agreement.

**g. Deceptive Trade Practices and Anti-trust**

Any liability arising out of:

- (1) Intentional false advertising;
- (2) Unfair or deceptive trade practices;
- (3) Unfair competition;
- (4) Price fixing;
- (5) Restraint of trade; or
- (6) Violation of any antitrust law.

**h. Discrimination (Non-employment Related)**

Any liability arising out of or based upon the actual or alleged discrimination, humiliation, harassment, or misconduct by any insured, or someone for whom an insured is legally liable, because of race, creed, color, age, gender, sex, sexual preference or orientation, national origin, religion, disability, handicap, marital status or any other class protected under federal, state, local or other law, which is unrelated to your statutory employment of the alleged injured party or parties.

**i. Dishonest, Fraudulent, Criminal or Malicious Acts**

Acts, errors or omissions of any insured, or anyone for whom the insured is legally liable, that are dishonest, fraudulent, criminal or malicious.

**j. Distribution or Recording of Material or Information in Violation of Law**

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment or in addition to such act;
- (2) The CAN-SPAM Act of 2003, including any amendment, or in addition to such act;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment or in addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or

limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**k. Dual Agency**

Any liability arising out of or based upon any insured's, or someone for whom an insured is legally liable, activities as a dual agent in real estate transactions where an insured, or someone for whom an insured is legally liable, failed to fully disclose their dual agency status in writing to all parties and where all parties did not consent to the dual agency in writing.

**l. ERISA**

Any liability arising out of:

- (1) Any insured's activities as a fiduciary under the Employee Retirement Income Security Act of 1974 and any amendments thereof or any regulation or orders issued pursuant thereto; or
- (2) Acts, errors or omissions of any insured which violate:
  - (a) The Employee Retirement Income Security Act of 1974 (ERISA); or
  - (b) The Pension Benefits Act and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA),

including any amendments, regulations or enabling statutes or pursuant thereto, or any similar federal, state, or provincial statute or regulation.

**m. Employer's Liability**

'bodily injury' to:

- (1) An 'employee' of the insured sustained in the 'workplace';
- (2) An 'employee' of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that 'employee' as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share 'earnings' with or repay someone else who

must pay 'damages' because of the injury.

**n. Employment-Related Practices**

Injury to:

(1) A person arising out of any:

- (a) Refusal to employ that person;
- (b) Termination of that person's employment; or
- (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of injury to that person at which any of the employment-related practices described in Paragraphs (1)(a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share 'damages' with or repay someone else who must pay 'damages' because of the injury.

**o. Expected or Intended Injury**

Liability for injury or damage which may reasonably be expected to result from the intentional or criminal acts of an insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

**p. Failure to Insure**

Any claim arising out of the failure to effect or maintain adequate insurance.

**q. Fungus or Bacteria**

(1) Any liability caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (a) Inhalation of;

(b) Ingestion of;

(c) Contact with;

(d) Absorption of;

(e) Exposure to;

(f) Existence of; or

(g) Presence of,

any 'fungi' or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

(2) Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, 'fungi' or bacteria, by any insured or by any other person or entity;

(3) Any liability, with respect to 'fungi' or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

(a) The existence of 'fungi' or bacteria;

(b) The prevention of 'fungi' or bacteria;

(c) The remediation of 'fungi' or bacteria; or

(d) Any operation described in Paragraph k.(2) above; or

(4) Any obligation to share 'damages' with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs q.(1), (2) or (3) above;

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any 'fungi' or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

**r. Future Valuations**

Any liability arising out of or based upon feasibility studies, future market valuations or any promise, guaranty, representation or warranty, either expressed or im-

plied, made by any insured or anyone for whom an insured is legally liable, pertaining to the future values of real property or investments.

**s. Improper Notarization**

The certification or acknowledgement of a signature by an insured acting as a notary without the proper compliance with the applicable laws and regulations of the state having jurisdiction.

**t. Insured Versus Insured**

Liability arising out of injury suffered by an insured.

**u. Lead, Radon or Electromagnetic Fields**

(1) Any claim or "suit" arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead, radon or electromagnetic field of any frequency in any form emanating from any source.

(2) Any loss, cost or expense arising out of, resulting from or in any way related to any:

(a) Claim, "suit", request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead, radon or electromagnetic field of any frequency in any form.

(b) Claim or "suit" by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating or detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead, radon or electromagnetic field of any frequency in any form.

(3) Any claim or "suit" arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of lead, radon or electromagnetic field of any frequency.

**v. Money Received**

Any liability for money received by any insured or credited to any insured for fees,

premiums, taxes, commissions, loss payments, or escrow or brokerage monies.

**w. Nuclear**

Any liability based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the hazardous properties, including radioactive, toxic or explosive properties, of any nuclear material. Nuclear material means any source material, special nuclear material, or byproduct materials, as those terms are defined under the Atomic Energy Act of 1954 or any amendments therein.

**x. Other Operations**

Any liability arising out of or based upon the interests, operations or activities of any insured, or someone for whom an insured is legally liable, that is not specifically provided for in the definition of "professional real estate services".

**y. Owned or Developed Property**

Any liability arising out of or based upon the rendering of "professional real estate services" for property developed, constructed, owned or to be purchased by any insured or by any entity in which any insured has a financial interest, or by any entity coming under the same financial control as any insured. This exclusion shall not apply to claims or "suits" arising out of:

(1) The sale of real property that was acquired by you under a written "quit-claim" sale or listing contract and title was held by you for less than one year from the acquisition to resale; and the property was continually offered for sale by you from acquisition to resale;

(2) The rendering of "professional real estate services" for real property where the combined ownership of all insureds is less than ten (10) percent; or

(3) The sale of a residential property owned by any insured for more than 180 days provided a state or local board approved standard sales contract was utilized in conjunction with the sale and prior to the closing the buyers received all of the following:

(a) A written Home Inspection Report issued by an ASHI, NAHI or CREIA member inspector;

(b) A home warranty policy; and



(c) A seller disclosure form signed by the insured.

## z. Pollutant

(1) Any liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants", including any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants"; or

(2) Any claim or suit arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of "pollutants".

## aa. Property Investment Activities

Any liability arising out of or based upon the formation, operation, syndication, operation or administration of any property syndication, real estate investment trust or any corporation, general or limited partnership or joint venture formed for the purpose of investing in, buying, selling or maintaining real property including those syndication, trusts, real estate investment trusts, corporations, partnerships or joint ventures in which any insured has, had or intended to have a participating interest directly or indirectly in the profits or losses thereof.

## bb. RICO

Any violation of the Racketeer Influenced and Corrupt Organizations Act (RICO), including any amendments, regulations or enabling statutes pursuant thereto, or any similar federal, state, or provincial statute or regulation.

## cc. Securities Actions

Any liability arising out of:

(1) Any security or any activities or transactions subject or claimed to be subject in whole or in part to the Se-

curities Act of 1933, The Securities Exchange Act of 1934, The Public Utility Holding Company Act of 1935, The Trust Indenture Act of 1939, The Investment Company Act of 1940 or The Investment Advisors Act of 1940; or

(2) Any purchase, sale or offering of any security to or from the public which is subject or claimed to be subject to any State Blue Sky or Securities Law;

or any rules or regulations issued pursuant to any of the aforementioned, all as heretofore or hereafter amended or replaced, without regard to the legal theory upon which any claim arising in connection therewith against any insured might be based or made.

## dd. War

Injury, however caused, arising directly or indirectly out of:

(1) War, including undeclared or civil war;

(2) War like action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

## ee. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

## 3. Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. A reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

c. The cost of bonds to release attachments but only for bond amounts within the applicable limit of insurance. We do not have to furnish bonds.

- d. All court costs taxed against the insured in the 'suit'. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- e. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest that is based on the period of time after the offer.
- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

## SECTION II - WHO IS AN INSURED

1. You are designated in the Declarations as:
  - a. An individual, you are an insured, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members and partners are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your 'executive officers' and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
  - a. Non-'employee' duly licensed real estate agents operating under your broker's license, but only during their period of affiliation with you, and only in relation to real estate transactions handled through you.
  - b. Your 'employees' are insureds, but only while acting within the scope of their duties as such.

- c. The heirs, executors, administrators, or legal representatives of each insured in the event of their death, incapacity, or bankruptcy, but only with respect to the liability of each insured as covered here in.
- d. The legally recognized spouse of any insured, but only:
  - (1) With respect to 'professional incidents' actually or allegedly committed by that insured; and
  - (2) By reason of such spouse's status as spouse of that insured.

Notwithstanding this provision, no spouse shall have any greater insurance coverage under this Coverage Part than the insured to whom such spouse is married. This provision does not extend insurance coverage for 'professional incidents' actually or allegedly committed by the spouse of any insured.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization, however:
  - a. Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - b. Insurance coverage does not apply to 'professional incidents' that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

## SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. insureds;
  - b. Claims made or 'suits' brought; or
  - c. Persons or organizations making claims or bringing 'suits'.
2. The Aggregate Limit is the most we will pay for the sum of all 'damages' for all claims or 'suits' to which this insurance applies.
3. The Each Professional Incident Limit is the most we will pay for the sum of all 'damages' arising out of 'interrelated injury'.

4. Our obligation to pay 'damages' resulting from claims or 'suits' arising out of a 'professional incident' or 'interrelated professional incidents' applies only to the amount of 'damages' in excess of the deductible amount, if any, stated in the Declarations.

However, the deductible does not apply to **SECTION I - COVERAGE, Paragraph 3. Supplementary Payments**

5. If we have paid any amounts in settlement or satisfaction of claims or judgments in excess of the limit of insurance, or within the amount of the deductible, the insureds, jointly and severally, shall be liable to us for any and all such amounts, including reasonable fees and expenses incurred by us in collecting those amounts.

The Limits of Insurance of this Coverage Part apply separately to each 'coverage term'.

#### **SECTION IV - CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties in the Event of Professional Incident, Claim or Suit**

- a. You must see to it that we are notified promptly if you become aware of a 'professional incident' which would reasonably be expected to be the basis of a claim or 'suit' covered by this insurance. Notice shall include the fullest information obtainable.
- b. If a claim is made or 'suit' is brought against any insured, you must see to it that we receive prompt written notice of the claim or 'suit'.
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the claim or 'suit'.
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation, settlement, or defense of the claim or 'suit'; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insureds will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a 'suit' asking for 'damages' from an insured; or
- b. To sue us under this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on that judgment against an insured obtained after an actual trial; but we will not be liable for 'damages' that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

##### **4. Liberalization**

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the later of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will have no additional premium charge for this additional coverage during the term.

##### **5. Multi-Year Policies**

If this Coverage Part is issued for more than one year, the premium shall be computed annually based on our rates or premiums in effect at each anniversary.

##### **6. Other Insurance**

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

**7. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part is advance premium, a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and remittance of premiums is the date shown as the due date on the bill.

- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.

- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**8. Representations**

By accepting this policy, you agree:

- a. The statements in the Errors and Omissions Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**9. Separation of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each Insured against whom a claim is made or suit is brought.

**10. Transfer of Rights of Recovery Against Others to Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after a "professional incident" to maintain them. At our request, the insured will bring legal action or transfer these rights to us and help us enforce them.

**11. Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Part or any other Coverage Form, Coverage Part or policy issued to you by us or any company affiliated with us apply to the same act, error or omission, the aggregate maximum Limit of Insurance under all the Coverage Forms, Coverage Parts or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form, Coverage Part or policy. This condition does not apply to any Coverage Form, Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

**12. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast, telecast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication and
- b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

2. "Bodily injury" means injury to the body, sickness or disease sustained by any person, including death resulting from any of these at any time; including any mental injury, mental anguish, mental tension, emotional distress, pain or suffering or shock sustained by any person, whether or not resulting from injury to the body, sickness, disease or death of any person.

3. "Coverage term" means the following individual increment, or if a multiyear policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive an-

nual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute to provide "coverage term". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the year end of:

- (1) The day the policy period shown in the Declarations ends; or
- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

4. "Coverage territory" means anywhere in the world, provided the original claim or "suit" for such "damages" is brought within the United States of America, its territories or possessions, Puerto Rico or Canada.

5. "Damages" means the compensatory monetary portion of any judgment, award or settlement, provided such settlement is negotiated with our assistance and approval. "Damages" shall not include:

- a. Compensation for "property damage";
- b. Personal profit or advantage to which the insured was not legally entitled;
- c. Criminal or civil fines, taxes, penalties (statutory or otherwise), fees or sanctions;
- d. Punitive, exemplary or multiple damages;
- e. Matters deemed uninsurable by law;
- f. Amounts held in escrow or otherwise on behalf of clients or third parties; or
- g. Any form of equitable or non-monetary relief.

6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by laws or any other similar governing document.

8. "Fungus" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

9. "Guaranteed sale listing contract" means a written agreement, between you and the seller of the property, whereby you agree to pur-

chase the property if it is not sold within the time frame specified in the listing agreement.

10. "Interrelated injury" means all causally connected injury or injuries arising from a "professional incident" or "interrelated professional incidents".

11. "Interrelated professional incidents" means "professional incidents" which arise out of and have as a common basis:

- a. Related circumstances, situations, events, transactions or facts;
- b. A series of related circumstances, situations, events, transactions or facts; or
- c. A common pattern of conduct in selling, providing or servicing products or services to which this insurance applies.

12. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".

13. "Personal and advertising injury" means injury, including "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Abuse of process;
- d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- g. The use of another's advertising idea in your "advertisement";
- h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- i. Discrimination.

14. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis,

chemicals; petroleum, petroleum products and petroleum by-products; and waste. Waste includes materials to be recycled, reconditioned or reclaimed. 'Pollutants' include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the 'pollutants' and whether:

- a. The insured is regularly or otherwise engaged in activities which tend to degrade the environment; or
  - b. The insured uses, generates or produces the 'pollutant'.
15. 'Professional incident' means a negligent act, error or omission of an insured, or someone for whom an insured is legally liable, in rendering or failing to render 'professional real estate services'.
16. 'Professional real estate services' means services performed by you or on your behalf for others as:
- a. Real estate broker, real estate agent, real estate sales person, real estate personal assistant, real estate independent contractor, and/or owner of real property;
  - b. Real estate consultant or counselor;
  - c. Real estate appraiser;
  - d. Real estate leasing agent or property manager;
  - e. Mortgage broker or business broker; or

- f. Notary public or member of a formal real estate accreditation, real estate standards review or similar real estate board or real estate committee.

17. 'Property damage' means:

- a. Injury or damage, of any nature, to tangible or intangible property, including all resulting loss of use of that property; or
- b. Loss of or loss of use of tangible or intangible property that is not otherwise injured or damaged.

18. 'Suit' means a civil proceeding in which 'damages' because of injury to which this insurance applies are alleged. 'Suit' includes:

- a. An arbitration proceeding in which such 'damages' are claimed and to which the insured must submit or does submit with our consent;
- b. Any other alternative dispute resolution proceeding in which such 'damages' are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.

19. 'Temporary worker' means a person who is furnished to you to substitute for a permanent 'employee' on leave or to meet seasonal or short-term workload conditions.

20. 'Workplace' means that place and during such hours to which the 'employee' sustaining injury was assigned by you or any other person or entity acting on your behalf, to work on the date of injury.

**THE CINCINNATI INSURANCE COMPANY**

CINCINNATI, OHIO

**BUSINESS AUTO COVERAGE PART DECLARATIONS****ITEM ONE**Attached to and forming part of POLICY NUMBER: **EBA 053 36 25**

Named Insured is the same as it appears in the Common Policy Declarations.

**ITEM TWO****SCHEDULE OF COVERAGES AND COVERED AUTOS**

This coverage part provides only those coverages where a premium or "incl" is shown in the premium column below. The limit of Insurance for each coverage listed is subject to all applicable policy provisions. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTOS (Entry of one or more of the symbols from the COVERED AUTOS Section of the Business Auto Coverage Form shows which autos are covered autos)	LIMIT  THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	PREMIUM
LIABILITY	7, 8, 9	\$ 1,000,000	INCL
PERSONAL INJURY PROTECTION (or equivalent No-fault coverage)		Separately stated in each P.I.P. endorsement minus \$ Ded.	
ADDED PERSONAL INJURY PROTECTION (or equivalent added No-fault coverage)		Separately stated in each added P.I.P. endorsement	
PROPERTY PROTECTION INSURANCE (Michigan only)		Separately stated in each P. P.I. endorsement minus \$ Ded for each accident	
AUTO. MEDICAL PAYMENTS	7	\$ 1,000	INCL
UNINSURED MOTORISTS	7, 8, 9	\$ 1,000,000	INCL
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	7, 8, 9	\$ SEE AA4183	INCL
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7, 8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded. For each covered auto. But no Deductible applies to loss caused by Fire or lightning. See Item Three for hired or borrowed "autos"	INCL
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		Actual cash value or cost of repair, Whichever is less minus \$ Ded. For Each covered auto. For loss caused by mischief or vandalism. See Item Three for hired or borrowed "autos"	
PHYSICAL DAMAGE COLLISION COVERAGE	7, 8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded for each covered auto. See Item Three for hired or borrowed "autos".	INCL
PHYSICAL DAMAGE INSURANCE TOWING AND LABOR		\$ for each disablement of a private passenger auto	
PREMIUM FOR ENDORSEMENTS			INCL
*ESTIMATED TOTAL PREMIUM			

FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

**AA4183 02/06 AUTOMOBILE SCHEDULE****AA101 03/06 BUSINESS AUTO COVERAGE FORM****AA2009 01/17 CHANGES - TOWING AND LABOR****AA296 07/12 CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

## FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

AA327IN	02/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION
AA4078IN	12/15	INDIANA UNDERINSURED MOTORIST COVERAGE
AA4170IN	12/15	INDIANA - UNINSURED AND UNDERINSURED MOTORIST PROTECTION SELECTION/REJECTION FORM
AA4171	11/05	ADDITIONAL INSURED BY CONTRACT
AA4172	09/09	BLANKET WAIVER OF SUBROGATION - AUTO
AA4174	11/05	PRIMARY AND NONCONTRIBUTORY INSURANCE
AA4231	08/08	SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO--ITEMS FOUR, FIVE, AND SIX
AA4263	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
AA484IN	12/15	INDIANA UNINSURED MOTORIST COVERAGE
CA0119	07/09	INDIANA CHANGES
CA2054	10/01	EMPLOYEE HIRED AUTOS
CA9944	12/93	LOSS PAYABLE CLAUSE
AA261	07/14	AUTO MEDICAL PAYMENTS COVERAGE

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\* This policy may be subject to final audit



# QUICK REFERENCE

## COMMERCIAL AUTO COVERAGE PART

## BUSINESS AUTO COVERAGE FORM

### READ YOUR POLICY CAREFULLY

#### DECLARATIONS PAGES

Named Insured and Mailing Address  
 Policy Period  
 Description of Business  
 Coverages and Limits of Insurance

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#### ENDORSEMENTS (If Any)

**AUTOMOBILE SCHEDULE****ITEM THREE**Attached to and forming a part of Policy Number EBA 053 36 25, effective 05-01-2019

The insurance afforded for any automobile is only with respects to such and so many of the coverages as are indicated by specific premium charge or charges indicated.

POLICY LIMITSState: IN

Bodily Injury: 1,000,000 CSL

Property Damage: INCLUDED

UM/UIM: 1,000,000

UMPD INCLUDED

UMPD DED: NONE

Med Pay 1,000

(\*UMPD APPLIES)

Veh. No. Vehicle Information						
1	2018 FORD EXPEDITION S/N 1FMJK1MT6JEA09844				Class: 7391	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 78,545	ZIP CODE: 47807
	BI 412	PD INCL	MP 9	OTC 187	COLL 447	UM* 103
						TOTAL 1,158
2	2010 FORD F150 S/N 1FTMF1CW4AKE69362				Class: 7391	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 24,825	ZIP CODE: 47807
	BI 402	PD INCL	MP 9	OTC 55	COLL 125	UM* 103
						TOTAL 694
3	2018 FORD F150 S/N 1FTMF1CBXJKF52274				Class: 01189	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 32,970	ZIP CODE: 47807
	BI 496	PD INCL	MP 16	OTC 142	COLL 278	UM* 60
						TOTAL 992
4	2018 FORD F150 S/N 1FTMF1CB7JKE43836				Class: 01189	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 32,970	ZIP CODE: 47807
	BI 496	PD INCL	MP 16	OTC 142	COLL 278	UM* 60
						TOTAL 992
ADDITIONAL INTEREST - ADDITIONAL INSURED BY CONTRACT					Class:	Territory
OTC-COMP DED: N/A					Coll Ded: N/A	
	BI 205	PD INCL	MP	OTC	COLL	UM
						TOTAL 205

**AUTOMOBILE SCHEDULE****ITEM THREE (CONTINUED)**

<b>BLANKET WAIVER OF SUBROGATION</b>						Class:	Territory
<b>OTC-COMP DED: N/A</b>						Coll Ded: <b>N/A</b>	
BI	PD	MP	OTC	COLL	UM	<b>TOTAL</b>	
150	INCL					150	
<b>HIRED AND NON-OWNED</b>						Class:	Territory
<b>OTC-COMP DED: N/A</b>						Coll Ded: <b>N/A</b>	
BI	PD	MP	OTC	COLL	UM*	<b>TOTAL</b>	
207	INCL	N/A			50	257	
<b>HIRED AUTO PHYSICAL DAMAGE</b>			<b>LIMIT: 90,000</b>			Class:	Territory
<b>OTC-COMP DED: 500</b>						Coll Ded: <b>1,000</b>	
BI	PD	MP	OTC	COLL	UM	<b>TOTAL</b>	
			191	285		476	
<b>NONCONTRIBUTORY INSURANCE</b>						Class:	Territory
<b>OTC-COMP DED: N/A</b>						Coll Ded: <b>N/A</b>	
BI	PD	MP	OTC	COLL	UM	<b>TOTAL</b>	
100	INCL					100	

## SYMBOLS:

BI -- Bodily Injury  
 PD -- Property Damage  
 MP -- Medical Payments  
 OTC -- Other Than Collision (ACV Coverage applies unless Stated Amount Value is indicated)  
 CAC -- Combined Additional Coverage  
 FT&S -- Fire, Theft, and Supplemental  
 UMPD -- Uninsured Motorists PD

SPEC -- Specified Perils  
 COLL -- Collision  
 UM -- Uninsured Motorists  
 UIM -- Underinsured Motorists  
 PIP -- Personal Injury Protection  
 T&L -- Towing and Labor Costs  
 RR -- Rental Reimbursement

## BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description of Covered Auto Designation Symbols

SYMBOL	DESCRIPTION
--------	-------------

- |     |   |
|-----|---|
| 1 = | ANY "AUTO".   |
| 2 = | OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.   |
| 3 = | OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.   |
| 4 = | OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.                       |
| 5 = | OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged. |
| 6 = | OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where  |

they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

- 7 = SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to a power unit described in ITEM THREE).
- 8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
- 9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

#### B. Owned Autos You Acquire After the Policy Begins

1. If Symbols 1, 2, 3, 4, 5, or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces

an "auto" you previously owned that had that coverage; and

- b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

### C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.

2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

## SECTION II - LIABILITY COVERAGE

### A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

#### 1. Who is an Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a cov-

ered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

#### 2. Coverage Extensions

##### a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) re-

quired because of an "accident" we cover. We do not have to furnish these bonds.

- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

#### **b. Out-of-State Coverage Extensions**

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

#### **B. Exclusions**

This insurance does not apply to any of the following:

#### **1. Expected or Intended Injury**

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the "insured" or which is in fact expected or intended by the "insured", even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

#### **2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

#### **3. Workers' Compensation**

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

#### **4. Employee Indemnification and Employer's Liability**

"Bodily injury" to:

- a. An "employee" of the "insured" sustained in the "workplace";
- b. An "employee" of the "insured" arising out of the performance of duties related to the conduct of the "insured's" business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. or b. above.

This Exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.



But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract" other than a contract or agreement with a labor leasing firm. For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### 5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

#### 6. Care, Custody or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### 7. Handling of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### 8. Movement of Property by Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### 9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor ve-

hicle insurance law where it is licensed or principally garaged.

#### 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

#### 11. Pollutant

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or

- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** of this exclusion does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

However, this exception to Paragraph **a.** does not apply if the fuels, lubricants, fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed or released.

Paragraphs **b.** and **c.** of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (1) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
- (2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

Subparagraph **d.(1)** does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor.

## 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

## 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This



insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

### C. Limit of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

### D. Mobile Equipment Subject to Motor Vehicle Insurance Laws

As respects **SECTION II - LIABILITY COVERAGE** any land vehicle, which would qualify as "mobile equipment", except that it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, is considered a covered "auto" under **SECTION II - LIABILITY COVERAGE**, irrespective of the Auto Designation Symbols shown for **SECTION II - LIABILITY COVERAGE** in the Declarations.

## SECTION III - PHYSICAL DAMAGE COVERAGE

### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

#### a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### b. Specified Causes of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

#### c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

### 2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs

incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

### 3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

### 4. Coverage Extensions

#### a. Transportation Expenses

We will also pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered

"auto" is returned to use or we pay for its "loss".

in hindering or defending against any of these.

**b. Loss of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

**B. Exclusions**

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

**b. War or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown; or
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
- (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

#### C. Limit of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

### SECTION IV - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

#### A. Loss Conditions

##### 1. Appraisal for Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

##### 2. Duties in the Event of Accident, Claim, Suit or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and

- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

- (4) Authorize us to obtain medical records or other pertinent information.

- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

### 3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

### 4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

### 5. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Cov-

erage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

## B. General Conditions

### 1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

### 2. Concealment, Misrepresentation or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

### 3. Liberalization

If within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### 4. No Benefit to Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

**5. Other Insurance**

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

**6. Premium Audit**

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

**7. Policy Period, Coverage Territory**

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the Policy Period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:

- (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

- (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

**8. Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.



**SECTION V - DEFINITIONS**

**A.** "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

**B.** "Auto" means:

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

**C.** "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

**D.** "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

**a.** That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

**b.** Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place

where they are accepted by the "insured" for movement into or onto the covered "auto"; or

**c.** After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants" is caused directly by such upset, overturn or damage.

**E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

**F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

**G.** "Insured" means any person or organization qualifying as an insured in the Who is an Insured provision of the applicable coverage.

Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

**H. "Insured contract":**

**1. Means:**

- a.** A lease of premises;
- b.** A sidetrack agreement;
- c.** An easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
- f.** That part of any other contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

**2. Does not include that part of any contract or agreement:**

- a.** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- b.** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

- c.** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".

- J.** "Loss" means direct and accidental loss or damage.

- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- 1.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2.** Vehicles maintained for use solely on or next to premises you own or rent;
- 3.** Vehicles that travel on crawler treads;
- 4.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a.** Power cranes, shovels, loaders, diggers or drills; or
  - b.** Road construction or resurfacing equipment such as graders, scrapers or rollers.
- 5.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - b.** Cherry pickers and similar devices used to raise or lower workers.
- 6.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a.** Equipment designed primarily for:

- a.** Equipment designed primarily for:

- (1) Snow removal;
  - (2) Road maintenance, but not construction or resurfacing; or
  - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".
- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and their by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
    - 1. The "insured" is regularly or otherwise engaged in activities which taint or degrade the environment; or
    - 2. The "insured" uses, generates or produces the "pollutant".
  - M. "Property damage" means damage to or loss of use of tangible property.
  - N. "Suit" means a civil proceeding in which:
    - 1. Damages because of "bodily injury" or "property damage"; or
    - 2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

    - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
    - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
  - O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
  - P. "Trailer" includes semitrailer.
  - Q. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of the "accident".

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

- 1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.



ous properties" of "nuclear facility" by any person or organization.

**C.** Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2.** As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "byproduct material";

"Source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been

used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material **(a)** containing "byproduct material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations:

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CHANGES - TOWING AND LABOR**

This endorsement modifies insurance provided by the following:

### **BUSINESS AUTO COVERAGE FORM**

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

1. **SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 2. Towing** is deleted in its entirety and replaced with:

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" is disabled. However, the labor must be performed at the place of disablement.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC  
EQUIPMENT COVERAGE**

This endorsement modifies insurance provided by the following:

**BUSINESS AUTO COVERAGE FORM**

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

**1. SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 4.** is deleted in its entirety and replaced with:

**4.** We will not pay for "loss" to any of the following:

- a.** Tapes, records, discs or similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b.** Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c.** Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d.** Any accessories used with the electronic equipment described in Paragraph **c.** above.

Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a.** Permanently installed in or upon the covered "auto";
- b.** Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c.** An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or
- d.** Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

**2. SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limits of Insurance, 1.** is deleted in its entirety and replaced with:

**1.** The most we will pay for:

- a.** "Loss" to any covered "auto" is the lesser of;
  - (1)** The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - (2)** The cost of repairing or replacing the damaged or stolen property with other property of like kind or quality.
- b.** All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss", is up to \$1,000, if, at the time of "loss", such electronic equipment is:
  - (1)** Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
  - (2)** Removable from a permanently installed housing unit as described in Paragraph **b.1.** above; or
  - (3)** An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.

**3. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE ADDED LIMITS**

The sub-limit in Paragraph **1.b.** above is in addition to the Limit of Insurance shown in the Schedule of the Audio, Visual and Data Equipment Coverage endorsement, if purchased.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA AMENDATORY  
EXCLUSION - LIABILITY ARISING FROM STATUTE  
OR REGULATION**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE PART  
GARAGE COVERAGE PART**

**SCHEDULE**

**Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management; I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

The following is added to **SECTION II - LIABILITY COVERAGE, B. Exclusions:**

This insurance does not apply to liability arising out of one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****INDIANA UNDERINSURED MOTORIST COVERAGE**

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as the Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named Insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below:

Endorsement Effective: <b>05-01-2019</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	

**SCHEDULE**

"Bodily Injury"	\$ <b>SEE AA4183</b>	Each "Accident"
-----------------	----------------------	-----------------

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "underinsured motor vehicle". The damage must result from "bodily injury" sustained by the "insured" and caused by an "accident" with an "underinsured motor vehicle".

The owner's or operator's liability for this damage must result from the ownership, maintenance or use of the "underinsured motor vehicle".

2. We will pay under this endorsement only if
  - a. or b. below applies:
  - a. The limits of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or
  - b. Tentative settlement has been made between an "insured" and the insurer of an "underinsured motor vehicle" which would exhaust the limits of liability under any applicable bond or policy, and we:

- (1) Have been given prompt written notice of such tentative settlement; and

- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after the receipt of notification.

3. Any judgment for damages arising out of a "suit" brought without our written consent to both the "suit" and the judgment is not binding on us.

**B. Who is an Insured**

The following are "insureds":

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds":
  - a. Natural persons specially listed as a Named Insured on this endorsement.
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement.

- c. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - d. Any natural person, but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraphs **B.1.a.**, **b.** or **c.**
  - e. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
2. If an entity other than a natural person is listed as a Named Insured on this endorsement, the following persons are "insureds":
    - a. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
    - b. Any natural person is an "insured", but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph **B.2.a.**
    - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
  3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown in the endorsement.
  4. Anyone for injuries incurred while "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its break down, repair, servicing, "loss" or destruction.
  5. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

### C. Exclusions

This insurance does not apply to:

1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits, or similar laws.
3. The direct or indirect benefit of any insurer of property.
4. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly acquired or replacement "motor vehicle" covered under the terms of the Coverage Form.
5. "Bodily injury" suffered by any person while operating or "occupying" a "motor vehicle" without a reasonable belief that he or she is entitled to do so. Under no circumstances will a person whose license has been suspended, revoked or never issued be held to have a reasonable belief that he or she is entitled to operate a "motor vehicle".
6. Punitive or exemplary damages.
7. "Noneconomic loss" sustained by any "insured" if such "insured" is an uninsured motorist with a previous violation as defined in Indiana Code Section 27-7-5.1.

However, Exclusion **C.7.** does not apply to an "insured" under 18 years of age.

### D. Limit of Insurance

1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services, or death due to and arising out of any one "accident" is the limit of **Underinsured Motorist Coverage** shown in the Schedule or the Declarations.
2. The limit of insurance provided in this endorsement shall be reduced by all sums available for payment to the "insured" for "bodily injury" under all liability bonds or policies covering persons or organizations legally liable for the "accident".



3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement and any Liability Coverage Form or Medical Payments Coverage endorsement attached to this Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits, or similar laws, including medical payments made under any statute.

4. No "insured" shall recover duplicate payments for the same elements of "loss" or payments in excess of damages sustained.

#### E. Changes in Conditions

The **Conditions** for **Indiana Underinsured Motorist Coverage** are changed as follows:

1. **Other Insurance Condition** in the Business Auto and Garage Coverage Forms is changed as follows:

If there is other applicable insurance available under one or more policies or provisions of coverage, the following priorities of coverage apply:

<b>FIRST PRIORITY</b>	The Underinsured Motorist Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
<b>SECOND PRIORITY</b>	Any other Coverage Form or policy affording Underinsured Motorist Coverage to the "insured".

- a. The limit of insurance under the "motor vehicle" the "insured" was "occupying" under the Coverage Form or policy in the first priority shall first be exhausted.
- b. The maximum recovery for damages under all Coverage Forms or policies may equal but shall not exceed the highest applicable limit of any one "motor vehicle" under any insurance providing coverage on either a first or second priority basis.
- c. We will pay only our share of the "loss". Our share is the proportion that our limit of liability bears to the total of all limits applicable to the same level of priority.

2. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- a. You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought;
- b. You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of the claim or "suit". Cooperation includes, but is not limited to, identifying all parties who may be responsible for the accident and all insurers who may be obligated to provide coverage; and
- c. A person seeking Underinsured Motorist Coverage must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer of the "underinsured motor vehicle", and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the person(s) or organization(s) who may be legally responsible for the "accident", or the insurer, owner or operator of such "underinsured motor vehicle".

3. **Transfer of Rights of Recovery Against Others To Us** is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. Our rights do not apply under this provision if we:
  - (1) Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of the "underinsured motor vehicle"; and
  - (2) Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of such notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after notification:

  - (a) That payment will be separate from any amount the "insured" is entitled to recover under the provisions of this coverage; and

(b) We also have the right to recover the advance payment from the insured or the owner or operator of the "underinsured motor vehicle".

c. If we make a payment because the insurer of the "underinsured motor vehicle" is or becomes insolvent, the **Transfer of Rights of Recovery Against Others To Us** Condition does not apply to any rights of recovery against:

- (1) The Indiana Guaranty Fund; or
- (2) The insured of the insolvent insurer, except in amounts that exceed the limit of liability of the Coverage Form or policy that was issued by that insolvent insurer.

#### 4. Legal Action Against Us

No lawsuit or action whatsoever or any proceeding in arbitration shall be brought against us for the recovery of any claim under the provisions of the Underinsured Motorist Coverage of this coverage form unless the "insured" has satisfied all of the things that "insured" is required to do under this endorsement. Any claim or suit for Underinsured Motorist Coverage must be brought within two (2) years from the date of the accident.

5. The following Condition is added:

#### ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or operator of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured" then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration proce-

dures and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

(1) Whether the "insured" is legally entitled to recover damages from a party responsible for the "accident"; and

(2) The amount of damages.

This applies only if the amount does not exceed the minimum limit for liability specified by the financial responsibility law of Indiana. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made in 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

#### F. Additional Definitions

As used on this endorsement:

1. "Family member" means a natural person who is related to and is a resident of the same household as a natural person shown as a Named Insured in this endorsement. Such relation may be by blood, marriage or adoption, and may include a ward or foster child.
2. "Motor vehicle" means a self-propelled vehicle designed for use and principally used on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. "Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails or any similar vehicle.
3. "Noneconomic loss" means costs for physical and emotional pain and suffering, physical impairment, emotional distress, mental anguish, loss of enjoyment, loss of companionship, services and consortium, and any other noneconomic damages.
4. "Occupying" means in, upon, getting in, on, out or off.
5. "Underinsured motor vehicle" means a land "motor vehicle" or "trailer" for which the sum of all liability bonds or policies at



the time of an "accident" provides at least the amounts required by the financial responsibility law of Indiana but their limits are either:

- a.** Less than the Limit of Insurance available for payment to the "insured" under this endorsement; or
- b.** Reduced by payments to others injured in the "accident" to an amount which is less than the Limit of Insurance under this endorsement.

However, "underinsured motor vehicle" does not include any "motor vehicle":

- a.** Owned or operated by a self insurer under any applicable motor vehicle

law, except a self insurer who is or becomes insolvent and can not provide the amounts required by that motor vehicle law.

- b.** Owned by a governmental unit or agency.
- c.** Designed for use mainly off public roads while not on public roads.
- d.** Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".
- e.** For which liability coverage is afforded under this Coverage Form.

## INDIANA - UNINSURED AND UNDERINSURED MOTORIST PROTECTION SELECTION/REJECTION FORM

Indiana law permits you to make certain decisions regarding Uninsured Motorist Coverage and Underinsured Motorist Coverage. This document briefly describes these coverages and the options available. You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorist Coverage or Underinsured Motorist Coverage and your options with respect to these coverages. This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

In accordance with the Indiana law, automobile liability policies may make available Uninsured and Underinsured Motorist Coverage limits equal to the Bodily Injury Liability limits of the policy to which the coverage attaches and to Property Damage Liability equal to the financial responsibility limits for the state of Indiana. Uninsured Motorist Property Damage coverage is available only if you purchase Uninsured Motorist Bodily Injury coverage. You may, however, reject Bodily Injury Liability. A named insured has the right to reject Uninsured Motorist and Underinsured Motorist Coverage on behalf of all other named insureds, all other insureds, and all other persons entitled to coverage under the policy. A rejection of coverage applies to all subsequent policy renewals or replacements. If a named insured rejects Uninsured Motorist Coverage or Underinsured Motorist Coverage in the underlying policy, the rejection also applies to an umbrella or excess liability policy.

If you elect to purchase Uninsured Motorist Bodily Injury coverage, you also may choose to purchase Uninsured Motorist Property Damage coverage. You may also reject Uninsured Motorists Property Damage entirely. This is our offer to you of your Uninsured Motorist and Underinsured Motorist Coverage options.

Please indicate your choice by selecting one option in both Bodily Injury and Property Damage below.

### BODILY INJURY OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Coverage and Underinsured Motorist Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits with Underinsured Motorists Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits without Underinsured Motorist Coverage.

### PROPERTY DAMAGE OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Property Damage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability not subject to a deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit not subject to a deductible.\*\*

\*\* This option is available only when Uninsured Motorist Bodily Injury Coverage is accepted.

I, the insured, understand that I and those who are to be protected under my policy would best be protected by my choosing to purchase Uninsured and Underinsured Motorist Coverage at limits equal to the Bodily Injury Liability limits provided in my policy. Nevertheless, I choose instead to purchase a more limited form of coverage, as specified above.

Attached to and forming a part of Policy Number EBA 053 36 25 and any subsequent policy renewals or replacements thereof.

Effective Date: 05-01-2019

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Named Insured

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Signature of Authorized Representative

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Title

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Printed Name of Authorized Representative

---

Title

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Agent's Signature

**ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED BY CONTRACT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: <b>05-01-2019</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured: <b>THOMPSON THRIFT DEVELOPMENT INC</b>	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**SECTION II - LIABILITY COVERAGE, A. Coverage, I. Who is an Insured** is amended to include as an insured any person or organization with which you have agreed in a valid written contract to provide insurance as is afforded by this policy.

This provision is limited to the scope of the valid written contract.

This provision does not apply unless the valid written contract has been executed prior to the "bodily injury" or "property damage".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET WAIVER OF SUBROGATION - AUTO**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: <b>05-01-2019</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **1. Blanket Waiver of Subrogation**

**SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights of Recovery Against Others to Us** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of

payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the "insured contract".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PRIMARY AND NONCONTRIBUTORY INSURANCE**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: <b>05-01-2019</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### **1. Noncontributory Insurance**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance** is replaced by the following:

- c.** Regardless of the provisions of Paragraph **a.** above, this Coverage Form's Liability Coverage is primary and we will not seek contribution from any other insurance for any liability assumed under an "insured contract" that requires liability to be assumed on a primary noncontributory basis.

**SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO - ITEMS FOUR, FIVE, AND SIX**Attached to and forming a part of:  
Form AA 505 (Business Auto Coverage Part)**EBA 053 36 25**  
**NUMBER****ITEM FOUR SCHEDULE OF HIRED OR****BORROWED COVERED AUTO COVERAGE AND PREMIUMS.****LIABILITY COVERAGE--RATING BASIS, COST OF HIRE**

STATE	ESTIMATED COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	PREMIUM
			<b>TOTAL PREMIUM</b>

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

**PHYSICAL DAMAGE COVERAGE**

COVERAGES	LIMIT OF INSURANCE THE MOST WE WILL PAY DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE	RATE PER EACH \$100 ANNUAL COST OF HIRE	MINIMUM PREMIUM	PREMIUM
COMPREHENSIVE	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 90,000 WHICHEVER IS LESS MINUS \$ 500 DED. FOR EACH COVERED AUTO, FOR ALL LOSS EXCEPT FIRE OR LIGHTNING				INCL
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ WHICHEVER IS LESS MINUS \$25 DED. FOR EACH COVERED AUTO, FOR LOSS CAUSED BY MISCHIEF OR VANDALISM				
COLLISION	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 90,000 WHICHEVER IS LESS MINUS \$ 1,000 DED. FOR EACH COVERED AUTO				INCL
			<b>TOTAL PREMIUM</b>		<b>INCL</b>

**ITEM FIVE SCHEDULE FOR NONOWNERSHIP LIABILITY**

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees		
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
			<b>TOTAL PREMIUM</b>

**ITEM SIX SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS--LIABILITY COVERAGE--PUBLIC AUTO OR LEASING RENTAL CONCERNS**

Estimated Yearly	RATES		PREMIUMS	
	<input type="checkbox"/> Per \$100 of Gross Receipts	<input type="checkbox"/> Per Mile		
<input type="checkbox"/> Gross Receipts				
<input type="checkbox"/> Mileage	LIABILITY	AUTO MEDICAL COVERAGE	LIABILITY PAYMENTS	AUTO MEDICAL COVERAGE PAYMENTS
	TOTAL PREMIUMS			
	MINIMUM PREMIUMS			

When used as a premium basis:

**FOR PUBLIC AUTOS**

Gross Receipts means the total amount to which you are entitled for transporting passengers, mail or merchandise during the policy period regardless of whether you or any other carrier originate the transportation. Gross Receipts does not include:

- A.** Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
- B.** Advertising Revenue.
- C.** Taxes which you collect as a separate item and remit directly to a governmental division.
- D.** C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing units operated during the policy period.

**FOR RENTAL OR LEASING CONCERNS**

Gross receipts means the total amount to which you are entitled for the leasing or rental of "autos" during the policy period and includes taxes except those taxes which you collect as a separate item and remit directly to a governmental division.

Mileage means the total of all live and dead mileage developed by all the autos you leased or rented to others during the policy period.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)  
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions** of the **BUSINESS AUTO COVERAGE FORM** and **SECTION V - GARAGE CONDITIONS, B. General Conditions** of the **GARAGE COVERAGE FORM** are amended to include the following:

**Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****INDIANA UNINSURED MOTORIST COVERAGE**

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as a Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named Insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below.

Endorsement Effective: <b>05-01-2019</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	

**Schedule**

Bodily Injury	\$	Each Accident
Bodily Injury and Property Damage	\$ <b>SEE AA4183</b>	Each Accident

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section **C** - EXCLUSIONS applies in its entirety unless an "X" is entered below:

☒ If an "X" is entered in this box, Exclusion **8**, does not apply.

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "uninsured motor vehicle". The damages must result from:
  - a. "Bodily injury" sustained by the "insured" and caused by an "accident" with an "uninsured motor vehicle"; or
  - b. "Property damage" caused by an "accident" with an "uninsured motor vehicle" if the Schedule or the Declarations indicates that both "bodily injury" and "property damage" Uninsured Motorist Coverage apply.

The owner's or operator's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".

**B. Who is an Insured**

The following are "insureds":

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds":
  - a. Natural persons specifically listed as a Named Insured on this endorsement.
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement.
  - c. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- d. Any natural person, but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraphs **B.1.a.**, **b.** or **c.**
  - e. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
2. If an entity other than a natural person is listed as a Named Insured on this endorsement, the following persons are "insureds":
    - a. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
    - b. Any natural person is an "insured", but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph **B.2.a.**
    - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
  3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown in the endorsement.
  4. Anyone for injuries incurred while "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  5. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
  6. The Named Insured for "property damage" only.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits, or similar laws.
  3. The direct or indirect benefit of any insurer of property.
  4. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly acquired or replacement "motor vehicle" covered under the terms of the Coverage Form.
  5. "Property damage" to an "auto" or to property contained in an "auto" owned by you which is not a covered "auto".
  6. "Bodily injury" suffered by any "insured" while operating or "occupying" a "motor vehicle" without a reasonable belief they are entitled to do so. Under no circumstances will an "insured" whose license has been suspended, revoked or never issued be held to have a reasonable belief they are entitled to operate a "motor vehicle".
  7. "Property damage" for which the "insured" has been or is entitled to be compensated by other property or physical damage insurance.
  8. The first \$300 of the amount of "property damage" to the property of each "insured" as the result of any one "accident". This exclusion does not apply if your covered "auto" is legally parked and unoccupied when involved in an "accident" with an "uninsured motor vehicle".
  9. "Property damage" caused by a hit-and-run vehicle.
  10. Punitive or exemplary damages.
  11. "Noneconomic loss" sustained by any "insured" if such "insured" is an uninsured motorist with a previous violation as defined in Indiana code Section 27-7-5.1.
- However, Exclusion **C.11.** does not apply to an "insured" under 18 years of age.

### C. Exclusions

This insurance does not apply to:

1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.

### D. Limit of Insurance

1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services, or death due to and arising out of any one "accident" is the limit of **Uninsured Mo-**

**torist Coverage** shown in the Schedule or the Declarations.

2. The limit of insurance provided in this endorsement shall be reduced by all sums available for payment to the "insured" for "bodily injury" under all liability bonds or policies covering person or organizations legally liable for the "accident".
3. Any amount payable for damages under this coverage shall be reduced by all sums paid or payable under any workers' compensation, personal injury protection benefits, disability benefits, pension statutes, or similar laws.
4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement or any Liability Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits, or similar laws, including medical payments made under any statute.

5. We will not pay for a "loss" which is paid or payable under Physical Damage Coverage.
6. No "insured" shall recover duplicate payments for the same elements of "loss" or payments in excess of damages sustained.

#### E. Changes in Conditions

The **Conditions** for **Indiana Uninsured Motorist Coverage** are changed as follows:

1. **Other Insurance Condition** in the Business Auto and Garage Coverage Forms changed as follows:

If there is other applicable insurance available under one or more policies or provisions of coverage, the following priorities of coverage apply:

<b>FIRST PRIORITY</b>	The Uninsured Motorist Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
<b>SECOND PRIORITY</b>	Any other Coverage Form or policy affording Uninsured Motorist Coverage to the "insured".

- a. The Limit of Insurance for the "motor vehicle" the "insured" was "occupying" under the Coverage Form or policy in the first priority shall first be exhausted.

- b. The maximum recovery for damages under all Coverage Forms or policies may equal but shall not exceed the highest applicable limit for any one "motor vehicle" under any insurance providing coverage on either a first or second priority basis.
- c. We will pay only our share of the "loss". Our share is the proportion that our limit of insurance bears to the total of all limits applicable to the same level of priority.

#### 2. **Transfer of Rights of Recovery Against Others to Us** is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. If we make a payment because the insurer of the "uninsured motor vehicle" is or becomes insolvent, the **Transfer of Rights of Recovery Against Others to Us** Condition does not apply to any rights of recovery against:
  - (1) The Indiana Guaranty Fund; or
  - (2) The "insured" of the insolvent insurer, except in amounts that exceed the limit of liability of the Coverage Form or policy that was issued by that insolvent insurer.

#### 3. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- a. You or any other involved "insured" must promptly notify the police if a hit-and-run driver is involved;
- b. You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought; and
- c. You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of any claim or "suit". Cooperation includes, but is not limited to, identifying all parties who may be responsible for the accident and all insurers who may be obligated to provide coverage.

#### 4. **Legal Action Against Us**

No lawsuit or action whatsoever or any proceeding in arbitration shall be brought against us for the recovery of any claim under the provisions of the Uninsured Motorist Coverage of this Coverage Form unless the "insured" has satisfied all of the things that



"insured" is required to do under this endorsement. Any claim or suit for Uninsured Motorist Coverage must be brought within two (2) years from the date of the "accident".

5. The following Condition is added:

#### **ARBITRATION**

a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or operator of an "uninsured motor vehicle" or do not agree as to the amount of damages that is recoverable by that "insured" then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

- (1) Whether the "insured" is legally entitled to recover damages; and
- (2) The amount of damages. This applies only if the amount does not exceed the minimum limit for liability specified by the financial responsibility law of Indiana. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

#### **F. Additional Definitions**

As used on this endorsement:

1. "Family member" means a natural person who is related to and is a resident of the same household as a natural person shown as a Named Insured in this endorsement. Such relation may be by blood, marriage or adoption, and may include a ward or foster child.

2. "Motor vehicle" means a self-propelled vehicle designed for use and principally used on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. "Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails, or any similar vehicle.

3. "Noneconomic loss" means costs for physical and emotional pain and suffering, physical impairment, emotional distress, mental anguish, loss of enjoyment, loss of companionship, services and consortium, and any other noneconomic damages.

4. "Occupying" means in, upon, getting in, on, out or off.

5. "Property damage" means damage to a covered "auto" property owned by the Named Insured, if the Named Insured is an individual, a "family member" while contained in a covered "auto". However, "property damage" does not include loss of use of damaged or destroyed property. This definition replaces the definition in the Policy.

6. "Uninsured motor vehicle" means a land "motor vehicle" or "trailer":

- a. For which no liability bond or policy applies at the time of an "accident" provides at least the amounts required by the financial responsibility law of Indiana;
- b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- c. Which is a hit-and-run "motor vehicle" and neither the operator nor owner can be identified. A hit and run vehicle is one that causes "bodily injury" to an "insured" by hitting the "insured", a covered "auto" or a "motor vehicle" an "insured" is "occupying".

We will only accept convincing evidence which may include the testimony, under oath, of a person making claim under this or similar coverage.

However, "uninsured motor vehicle" does not include any "motor vehicle":

- a.** Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b.** Owned by a governmental unit or agency.
- c.** Designed for use mainly off public roads while not on public roads.
- d.** Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".
- e.** For which liability coverage is afforded under this Coverage Form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****INDIANA CHANGES**

For a covered "auto" licensed in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement or to any amendment to or replacement thereof, the provisions of the coverage form apply unless modified by the endorsement.

**Changes In Conditions**

- A.** Except as provided in Paragraph **B.** of this endorsement, **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is changed by adding the following and supersedes any provision to the contrary:

If there is other applicable insurance available under one or more policies or provisions of coverage, any insurance we provide for any covered "auto" owned by an "insured" is primary and shall first be exhausted.

- B.** **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is changed by adding the following:

1. When two coverage forms providing liability coverage apply to an "auto" and:
  - a. One provides coverage to a named insured engaged in the business of selling, repairing, servicing, delivering, testing, road testing, parking or storing "autos"; and

- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" a person described in **1.b.** is operating an "auto" owned by the business described in **1.a.**, then that person's liability coverage is primary and the coverage form issued to a business described in **1.a.** is excess over any coverage available to that person.

2. When two coverage forms providing liability coverage apply to an "auto" and:

- a. One provides coverage to a named insured engaged in the business of repairing, servicing, parking or storing "autos"; and
- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" an "insured" under the coverage form described in **2.a.** is operating an "auto" owned by a person described in **2.b.**, then the liability coverage form issued to the business described in **2.a.** is primary and the coverage form issued to a person described in **2.b.** is excess over any coverage available to the business.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYEE HIRED AUTOS**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes in Liability Coverage**

The following is added to the **Who is an Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

### **B. Changes in General Conditions**

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto, Business Auto Physical Damage and Garage Coverage Forms, Paragraph **5.d.** of the **Other Insurance - Primary and Excess Insurance Provisions** Condition in the Truckers Coverage Form and Paragraph **5.f.** of the **Other Insur-**

**ance - Primary and Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LOSS PAYABLE CLAUSE**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** We will pay, as interest may appear, you and the loss payee named in the policy for "loss" to a covered "auto".
- B.** The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
- C.** We may cancel the policy as allowed by the CANCELLATION Common Policy Condition.

**2018 FORD F150  
FIRST FINANCIAL BANK  
PO BOX 540  
TERRE HAUTE, IN 47808-0540**

Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy we will mail you and the loss payee the same advance notice.

- D.** If we make any payments to the loss payee, we will obtain his or her rights against any other party.

**1FTMF1CBXJKF52274**

**2018 FORD F150  
FIRST FINANCIAL BANK  
PO BOX 540  
TERRE HAUTE, IN 47808-0540**

**1FTMF1CB7JKE43836**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO MEDICAL PAYMENTS COVERAGE**

Throughout this Coverage Form "you" and "your" refer to the organization and any specifically named natural persons shown as the Named Insured in the Business Auto or Garage Coverage Part Declarations. "You" and "Your" do not refer to any other persons or organizations, including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as the Named Insured in the Business Auto or Garage Coverage Part Declarations.

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Coverage**

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred and reported to us, for services rendered within three years from the date of the "accident".

**B. Who is an Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. "Family members" of natural persons shown as Named Insureds in the Business Auto or Garage Coverage Part Declarations while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone for injuries while "occupying" a covered "auto".
4. Anyone for injuries while "occupying" a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

**C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned

by or furnished or available for the regular use of any "family member".

4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

**D. Limit of Insurance** SEE AA4183

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

**E. Changes in Conditions**

The Conditions are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer of Rights of Recovery Against Others to Us** Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

# THE CINCINNATI INSURANCE COMPANY

## COMMERCIAL UMBRELLA LIABILITY COVERAGE

### PART DECLARATIONS

Previous Policy Number **CPP1075701**Attached to and forming part of POLICY NUMBER **EPP 053 36 25**Effective Date: **05-01-2019****NAMED INSURED** is the same as it appears in the Common Policy Declarations unless another entry is made here.**THOMPSON THRIFT DEVELOPMENT INC****REFER TO US901****LIMITS OF INSURANCE**\$ **10,000,000** Each Occurrence Limit \$ **10,000,000** Aggregate Limit**ADVANCE PREMIUM \$ 16,991**

Applicable to Premium, if box is checked:

☐ Subject to Annual Adjustment☐ Subject to Audit (see Premium Computation Endorsement for Rating Basis)**SCHEDULE OF UNDERLYING INSURANCE**

Insurer, Policy Number & Period:	Underlying Insurance:	Underlying Limits:
(a)	Employer's Liability	Bodily Injury by Accident: \$ Each Accident Bodily Injury by Disease: \$ Each Employee Bodily Injury by Disease: \$ Policy Limit
(b) <b>CINCINNATI INS. CO.</b> <b>EPP 053 36 25</b> <b>05-01-2019 TO 05-01-2020</b>	<input checked="" type="checkbox"/> Commercial General Liability Including: <input checked="" type="checkbox"/> Products-Completed Operations Coverage <input type="checkbox"/> Cemetery Professional <input type="checkbox"/> Druggist Professional <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Pedorthists Professional <b>(X)</b> Ohio Liability Coverage Enhancement or <input type="checkbox"/> Business Liability Including: <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Druggist Professional	Bodily Injury and Property Damage Liability: \$ <b>1,000,000</b> Each Occurrence Limit \$ <b>2,000,000</b> General Aggregate Limit \$ <b>2,000,000</b> Products-Completed Operations Aggregate Limit Personal and Advertising Injury Limit: \$ <b>1,000,000</b> Any One Person or Organization
(c) <b>CINCINNATI INS. CO.</b> <b>EBA 053 36 25</b> <b>05-01-2019 TO 05-01-2020</b>	Automobile Liability Including: <input checked="" type="checkbox"/> Owned Autos <input checked="" type="checkbox"/> Non-Owned Autos <input checked="" type="checkbox"/> Hired Autos <input type="checkbox"/> Any Auto	Bodily Injury Liability Limit: \$ Each Person \$ Each Occurrence Property Damage Liability Limit: \$ Each Occurrence or Bodily Injury Liability and / or Property Damage Liability or Both Combined Limit: \$ <b>1,000,000</b> Each Occurrence

(d)	Professional	\$	
		\$	Aggregate

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(e)	CINCINNATI INS. CO. EPP 053 36 25 05-01-2019 TO 05-01-2020	Employee Benefit Liability	\$	1,000,000	Each Employee Limit
			\$	3,000,000	Aggregate Limit

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(f)		Liquor Liability	\$		Each Common Cause Limit
			\$		Aggregate Limit

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Other

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**FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:**

US101UM	12/04	COMMERCIAL UMBRELLA - TABLE OF CONTENTS
US3048	12/04	FUNGI OR BACTERIA EXCLUSION
US3056	09/17	EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS
US306	12/04	AUTO LIABILITY LIMITATION
US3065	05/06	EXCLUSION - EMPLOYER'S LIABILITY
US3090IN	05/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION
US3093	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
US341	12/04	REAL ESTATE PROPERTY MANAGED EXCLUSION
US352	12/04	PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION
US385	12/04	REAL ESTATE OPERATIONS LIMITATION
US390	12/04	TOTAL POLLUTANT EXCLUSION - OTHER THAN AUTO
US395	12/04	LEAD LIABILITY EXCLUSION
US4062	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS - LIMITATION
US407	12/04	EMPLOYEE BENEFIT LIABILITY
US4098	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
US901	07/08	COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS NAMED INSURED

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# COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

## SECTION I - COVERAGE

### A. Insuring Agreement

1. We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies:
  - a. Which is in excess of the "underlying insurance"; or
  - b. Which is either excluded or not insured by "underlying insurance".
2. This insurance applies to "bodily injury", "personal and advertising injury" or "property damage" only if:
  - a. The "bodily injury", "personal and advertising injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
  - b. The "bodily injury" or "property damage" occurs during the policy period shown in the Declarations; or
  - c. The "personal and advertising injury" results from an "occurrence" that takes place during the policy period shown in the Declarations; and
  - d. Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, or a "personal and advertising injury" offense is committed, you did not know, per Paragraph 5. below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, or

that the "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part.

3. "Bodily injury" or "property damage" which:
  - a. Occurs during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have occurred;

includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
4. "Personal and advertising injury" caused by an offense which:
  - a. Was committed during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have been committed;

includes any continuation, change or resumption of that "personal and advertising injury" offense after the end of the "coverage term" in which it first became known by you.
5. You will be deemed to know that "bodily injury" or "property damage" has occurred, or that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":
  - a. Reports all, or any part, of the "bodily injury", "personal and advertising injury" or "property damage" to us or any other insurer;
  - b. Receives a written or verbal demand or claim for damages because of the "bodily injury", "personal and advertising injury" or "property damage";
  - c. First observes, or reasonably should have first observed, the "bodily injury" or "property damage", or the offense that caused the "personal and advertising injury";
  - d. Becomes aware, or reasonably should have become aware, by any means, other than as described in c. above, that "bodily injury" or "prop-



erty damage" had occurred or had begun to occur, or that the "personal and advertising injury" offense had been committed or had begun to be committed; or

- e. Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury", "personal and advertising injury" or "property damage" is substantially certain to occur.
6. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE.**

No other obligation or liability to pay sums or perform acts or services is covered, unless expressly provided for under **SECTION I - COVERAGE, C. Defense and Supplementary Payments.**

## **B. Exclusions**

This insurance does not apply to:

### **1. Asbestos**

Any liability arising out of, attributable to or any way related to asbestos in any form or transmitted in any manner.

### **2. Breach of Contract, Failure to Perform, Wrong Description and Violation of Another's Rights**

"Personal and advertising injury":

- a. Arising out of breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- b. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- c. Arising out of the wrong description of the price of goods, products or services stated in your "advertisement"; or
- d. Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### **3. Contractual Liability**

Any liability for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "bodily injury", "personal

and advertising injury" or "property damage":

- a. That the insured would have in the absence of the contract or agreement; or
- b. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "personal and advertising injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

### **4. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

### **5. Damage to Property**

"Property damage" to property owned by any insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

### **6. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.

### **7. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**8. Distribution of Material in Violation of Statutes**

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**9. Electronic Chatrooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**10. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

**11. Employer's Liability Limitation**

Any liability arising from any injury to:

- a. An "employee" of the insured sustained in the "workplace";
- b. An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of **a.** or **b.** above.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply when such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or

would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**12. Employment-Related Practices**

Any liability arising from any injury to:

- a. A person arising out of any:
  - (1) Refusal to employ that person;
  - (2) Termination of that person's employment; or
  - (3) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of any injury to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**13. Expected or Intended Injury**

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually intended or expected.

However, this exclusion does not apply to:

- a. "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- b. "Bodily injury" or "property damage" resulting from the use of reasonable force to prevent or eliminate danger

in the operation of "autos" or watercraft.

#### 14. Falsity, Prior Publication, Criminal Act and Media and Internet Type Businesses

"Personal and advertising injury":

- a. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the later of the following:
  - (1) The inception of this Coverage Part; or
  - (2) The "coverage term" in which insurance coverage is sought;
- c. Arising out of a criminal act committed by or at the direction of the insured; or
- d. Committed by an insured whose business is:
  - (1) Advertising, broadcasting, publishing or telecasting;
  - (2) Designing or determining content of web-sites for others; or
  - (3) An Internet search, access, content or service provider.

However, Paragraph **d.** does not apply to Paragraphs **17.a., b., c., d.** and **i.** of "personal and advertising injury" under **SECTION V - DEFINITIONS.**

For the purposes of Paragraph **d.**, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

#### 15. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement in your "advertisement", of copyright, trade dress or slogan.

#### 16. Pollutant - Auto

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
  - (1) That are, or that are contained in any property that is:
    - (a) Being transported or towed by, handled, or handled for movement into, onto or from, an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
    - (b) Otherwise in the course of transit by or on behalf of the insured; or
    - (c) Being stored, disposed of, treated or processed in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
  - (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; or
  - (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion to the place where they are finally delivered, disposed of or abandoned by the insured.

Paragraph (1) above does not apply to "bodily injury" or "property damage" arising from fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their

behalf in any other fashion or its parts, if:

- (a) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (b) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** and **(3)** of the definition of "mobile equipment".

However, this exception to Paragraph **(1)** does not apply if the fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed, emitted or released.

Paragraphs **(2)** and **(3)** above do not apply to an "occurrence" that occurs away from premises owned by or rented to an insured with respect to "pollutants" not in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; and
  - (b) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- b. Any liability caused by "pollutants" and arising from the operation, maintenance, use, "loading or unloading" of an "auto", for which insurance coverage is excluded by "underlying insurance".

#### **17. Pollutant - Other Than Auto**

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":

- (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.

However, Paragraph **a.(1)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury", if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use by the building's occupants or their guests;
- (b) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to your "underlying insurance" as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;
- (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

However, Paragraph **a.(4)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by

such insured, contractor or subcontractor;

- (b) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

- (5) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of, "pollutants".

- b. "Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.

- c. Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Paragraph **c.** does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement,



or such claim or "suit" by or on behalf of a governmental authority.

- d. Any liability caused by "pollutants", for which insurance coverage is excluded by "underlying insurance".

## **18. Recall of Products, Work or Impaired Property**

Any liability or damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. "Your product";
- b. "Your work"; or
- c. "Impaired Property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

## **19. Unauthorized Use of Another's Name or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag or any other similar tactics to mislead another's potential customers.

## **20. Uninsured / Underinsured Motorist**

Any liability or obligation to any insured or anyone else under any uninsured motorist, underinsured motorist, automobile no-fault or first party personal injury law.

## **21. War**

Any liability, however caused, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

## **22. Workers' Compensation**

Any liability or obligation of the insured under any workers' compensation, unemployment compensation, disability benefits or similar law. However, this exclusion does not apply to liability of others assumed by you under an "insured contract" in existence at the time of "occurrence".

## **C. Defense and Supplementary Payments**

1. We will have the right and duty to defend the insured against any "suit" seeking damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies. We will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result when:
  - a. The applicable limits of the "underlying insurance" and any other insurance have been exhausted by payment of claims; or
  - b. Damages are sought for "bodily injury", "personal and advertising injury" or "property damage" which are not covered by "underlying insurance" or other insurance.
2. Our right and duty to defend ends when the applicable Limits of Insurance, as stated in the Declarations, has been exhausted by payment of claims.
3. We have no duty to investigate, settle or defend any claim or "suit" other than those circumstances described in Paragraph C.1. However, we do have the right to participate in the investigation, settlement or defense of any claim or "suit" to which this insurance applies. If we exercise this right, we will do so at our expense.
4. If there is no underlying insurer or other insurance obligated to do so, we will pay the following when we provide a defense:
  - a. All expenses we incur.
  - b. The cost of bail bonds up to \$3,000. We do not have to furnish these bonds.
  - c. The cost of bonds to appeal a judgment or award in any claim or "suit" we defend and the cost of bonds to

release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.

- d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including the actual loss of earnings.
  - e. All costs taxed against the insured in the "suit".
5. If there is no underlying insurer obligated to do so, we will pay the following for an "occurrence" to which this insurance applies, even if we have no duty to provide a defense:
- a. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable Limit of Insurance. If we make an offer to pay the applicable Limits of Insurance, we will not pay any prejudgment interest based on the period of time after the offer.
  - b. All interest awarded against the insured on the full amount of any judgment that accrues:
    - (1) After entry of the judgment; and
    - (2) Before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
6. The payments described in Paragraphs 4. and 5. above will not reduce the Limits of Insurance provided by this Coverage Part when defense or supplementary payments provided by the "underlying insurance" do not reduce their Limits of Insurance. However, when defense or supplementary payments provided by the "underlying insurance" reduce their Limits of Insurance then such expense payments paid by us will reduce the Limits of Insurance provided by this Coverage Part.
7. If we are prevented by law or otherwise from carrying out any of the provisions of **SECTION I - COVERAGE, C. Defense and Supplementary Payments**, we will pay any expense incurred with our written consent.

## SECTION II - WHO IS AN INSURED

- 1. Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto":
  - a. If you are designated in the Declarations as:
    - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
    - (2) A partnership or joint venture, you are an insured. Your members, partners and their spouses are also insureds, but only with respect to the conduct of your business.
    - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
    - (4) An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Each of the following is also a Named Insured:
      - (a) Any "subsidiary" company of such organization, including any "subsidiary" of such "subsidiary":
        - 1) Existing at the inception of this Coverage Part; or
        - 2) Formed or acquired on or after the inception of this Coverage Part.
      - (b) Any other company controlled and actively managed by such organization or any "subsidiary" thereof:
        - 1) At the inception of this Coverage Part; or
        - 2) If the control and active management thereof is acquired on or after the inception of this Coverage Part.
- (5) A trust, you are an insured. Your trustees are also insureds, but only

with respect to their duties as trustees.

- b. Each of the following is also an insured:
  - (1) Any "employee" of yours while acting within the scope of their duties as such.
  - (2) Any person or organization while acting as your real estate manager.
  - (3) Any person or organization having proper temporary custody of your property if you die, but only:
    - (a) With respect to liability arising out of the maintenance or use of that property; and
    - (b) Until your legal representative has been appointed.
  - (4) Your legal representative if you die, but only with respect to duties as such.
- 2. Only with respect to liability arising out of the ownership, maintenance, occupancy or use of an "auto":
  - a. You are an insured.
  - b. Anyone else while using with your permission an "auto" you own, hire or borrow is also an insured except:
    - (1) The owner or any other person or organization (except your "executive officers" or principals) from whom you hire or borrow an "auto", unless such persons or organizations are insureds in your "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance". This exception does not apply if the "auto" is a trailer or semi-trailer connected to an "auto" you own.
    - (2) Your "employee", if the "auto" is owned by that "employee" or a member of his or her household, unless:
      - (a) Such "employee" is an insured with respect to that "auto" in the "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance"; or

(b) The "bodily injury" or "property damage" is sustained by a co-"employee" of such "employee".

- (3) Someone using an "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos", unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
- c. Anyone liable for the conduct of an insured described in Paragraphs 2.a. and b. above is also an insured, but only if they are provided insurance coverage for such liability by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is provided by such "underlying insurance".
- 3. At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs 1. and 2. above covered in the "underlying insurance" listed in the Schedule of Underlying Insurance are also insureds, but only to the extent that insurance is provided for such additional insureds thereunder.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
- 2. The Aggregate Limit is the most we will pay for all damages:
  - a. Included in the "products-completed operations hazard";
  - b. Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you; or



- c. Because of "bodily injury", "personal and advertising injury" or "property damage" not included within a. or b. above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to a., b. and c. The Aggregate Limit described in c. will apply only to damages not subject to a. or b. above.

3. Subject to the Limit of Insurance described in 2.c. above:

- a. Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to 2.a. or b. above that is applicable separately to each:

(1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to operations at only a single location, then the Aggregate Limit described in 2.c. above applies separately to each location owned by, or rented or leased to you.

(2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed only to ongoing operations and only at a single construction project, then the Aggregate Limit described in 2.c. above applies separately to each of your construction projects.

- b. Only with respect to the application of Limits of Insurance described in 3.a. above, the following terms location and construction project will have the following meanings:

(1) Location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

(2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected

ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

4. Subject to the limits described in 2. and 3. above, the Each Occurrence Limit is the most we will pay for the "ultimate net loss":

- a. In excess of the applicable limits of "underlying insurance"; or
- b. If an "occurrence" is not covered by "underlying insurance", but covered by the terms and conditions of this Coverage Part,

Because of all "bodily injury", "personal and advertising injury" and "property damage" arising out of any one "occurrence".

We will not pay more than the Limit of Insurance shown in this Coverage Part's Declarations for each "occurrence" because any Personal Umbrella Liability Policy(ies) is / are attached to this policy.

5. Subject to the limits described in 2., 3. and 4. above and to the terms and conditions of the "underlying insurance":

- a. If the limits of "underlying insurance" have been reduced by payment of claims, this Coverage Part will continue in force as excess of the reduced "underlying insurance"; or
- b. If the limits of "underlying insurance" have been exhausted by payment of claims, this Coverage Part will continue in force as "underlying insurance".

6. The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

## SECTION IV - CONDITIONS

### 1. Appeals

If the insured or any insurer who provides the applicable "underlying insurance" elects not to appeal a judgment which exceeds the "underlying limit", we may elect to do so at our own expense. We shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall this provision increase our liability beyond:

- a. Our applicable Limits of Insurance for all "ultimate net loss";
- b. Our applicable Defense and Supplementary Payments as described in SEC-

**TION I - COVERAGE, C. Defense and Supplementary Payments; and**

- c. The expense of such appeal.

**2. Audit**

If this Coverage Part is subject to Audit, as indicated in the Declarations, then the following Condition applies:

- a. The premium shown in the Premium Computation Endorsement as Advance Premium is a deposit premium. At the close of each audit period, we will compute the earned premium for that period. If:
  - (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
  - (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us. The due date for audit and retrospective premiums is the date shown as the due date on the bill.

However, in no event will the earned premium be less than the Minimum Premium stated in the Premium Computation Endorsement.

- b. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**3. Bankruptcy**

Bankruptcy or insolvency of the insured or the insured's estate shall not relieve us of any obligations under this Coverage Part.

**4. Duties in the Event of Occurrence, Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim or "suit". To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence".

This requirement applies only when the "occurrence" is known to an "authorized representative".

- b. If a claim is made or "suit" is brought against any insured that is likely to involve this Coverage Part, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

This requirement will not be considered breached unless the breach occurs after such claim or "suit" is known to an "authorized representative".

- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**5. First Named Insured**

The person or organization first named in the Declarations will act on behalf of all other insureds where indicated in this Coverage Part.

**6. Legal Action Against Us and Loss Payments**

- a. No legal action may be brought against us unless there has been full compliance with all the terms of this Coverage Part nor until the amount of the insured's obligation to pay has been finally determined as provided below. No person or organization has any right under this Coverage Part to bring us into any action to determine the liability of the insured.
- b. We shall be liable for payment of the "ultimate net loss" for any "occurrence" to which this Coverage Part applies:
  - (1) For "occurrences" not covered by "underlying insurance"; or

- (2) In excess of the "underlying limit" applicable to the "occurrence" only after the insurers who provide the applicable "underlying insurance" have paid or become obligated to pay the amount of the "underlying limit" applicable to the "occurrence".

Our payment will be made following final determination of the amount of the insured's obligation to pay either by final judgment against the insured or by written agreement with the insured, the claimant, the underlying insurers and us.

## 7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

Will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

## 8. Maintenance of Underlying Insurance

- a. While this Coverage Part is in effect, the insured shall maintain in force the "underlying insurance" listed in the Schedule of Underlying Insurance as collectible insurance. The terms, conditions and endorsements of "underlying insurance" will not materially change and renewals or replacements of "underlying insurance" will not be more restrictive in coverage.
- b. Limits of "underlying insurance" will not be reduced, except for any reduction or exhaustion in the aggregate limits of insurance due to payment of claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement, Paragraph 2.** of this Coverage Part.
- c. In the event you fail or neglect to maintain "underlying insurance" as required, this Coverage Part will apply as though such "underlying insurance" was in force and collectible at the time a claim is presented to us which is in accordance with **SECTION I - COVERAGE, A. Insuring Agreement, Paragraph 2.** of this Coverage Part.

- d. The limits of "underlying insurance" shall be deemed applicable, regardless of any defense which the insurer who provides the "underlying insurance" may assert because of the insured's failure to comply with any Condition of the policy or the inability of the insurer to pay by reason of bankruptcy or insolvency.

## 9. Other Insurance

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

## 10. Premium

The premium for this Coverage Part shall be as stated in the Declarations. The advance and anniversary premiums are not subject to adjustment, except as stated in the Declarations, or as stated in an endorsement issued by us to form a part of this Coverage Part.

You shall maintain records of such information as is necessary for premium computation, and shall, if requested by us, send copies of such records to us at the end of the "coverage term" and at such times during the policy period as we may direct.

## 11. Representations

- a. By acceptance of this Coverage Part, you agree that the statements in the Declarations are your agreements and representations, that this Coverage Part is issued in reliance upon the truth of such representations and that this Coverage Part embodies all agreements existing between you and us or any of our agents relating to this insurance.
- b. However, to the extent that the following applies in the "underlying insurance" listed specifically in the Schedule of Underlying Insurance, it will also apply to this Coverage Part:

Based on our reliance upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this Coverage Part, we will not reject coverage under this Coverage Part based solely on such failure.

## 12. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

### 13. Transfer of Rights of Recovery Against Others to Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. Any recoveries shall be applied as follows:
  - (1) First, we will reimburse anyone, including the insured, the amounts actually paid by them that were in excess of our payments;
  - (2) Next, we will be reimbursed to the extent of our actual payment; and
  - (3) Lastly, any amounts left after meeting the obligations outlined in (1) and (2) above will be distributed to anyone else known to us at the time a recovery is made and who is legally entitled to such recovery.

Expenses incurred in the recovery shall be apportioned among all interests in the ratio of their respective recoveries as finally settled. If there is no recovery as a result of our attempts, we shall bear all of the recovery expenses.

- c. If prior to an "occurrence" to which this Coverage Part would apply, you and the issuer of your applicable "underlying insurance" listed specifically in the Schedule of Underlying Insurance waive any right of recovery against a person or organization for injury or damage, we will also waive any rights we may have against such person or organization.

### 14. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Authorized representative" means:
  - a. If you are:
    - (1) An individual, you and your spouse are "authorized representatives".
    - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
    - (3) A limited liability company, your members and your managers are "authorized representatives".
    - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".
    - (5) A trust, your trustees are "authorized representatives".
  - b. Your "employees" assigned to manage your insurance program, or assigned to give or receive notice of an "occurrence", claim or "suit" are also "authorized representatives".
3. "Auto" means:
  - a. Any land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

"Auto" does not include "mobile equipment".



4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means anywhere.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any similar governing document.
10. "Hostile fire" means one that becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement,
 if such property can be restored to use by:
  - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business, other than a contract or agreement pertaining to the rental or lease of any "auto", (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
  - g. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing. However, if such liability is insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, this Paragraph (1) shall not apply for such hazards for which insurance coverage is afforded by such "underlying insurance";
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities;
- (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;
- (5) Under which the insured, if an advertising, public relations or media con-

sulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;

- (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet Services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks;
  - (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above;
  - (8) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - (9) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of an "auto" over a route or territory that person or organization is authorized to serve by public authority.
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
  14. "Loading or unloading" means the handling of property:
    - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
    - b. While it is in or on an aircraft, watercraft or "auto"; or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

**15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:**

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

**16. "Occurrence" means:**

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general harmful conditions, act or offense shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

**17. "Personal and advertising injury" means injury, including "bodily injury", arising out of one or more of the following offenses:**

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Abuse of process;
- d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- f. Oral or written publication, in any manner, of material that violates a person's right of privacy; contractor or subcontractor working on the same project.
  - g. The use of another's advertising idea in your "advertisement"; Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
  - h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
  - i. Discrimination, unless insurance coverage therefor is prohibited by law or statute.
- 18. "Pollutants" mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, re-conditioned or reclaimed. "Pollutants" include, but are not limited to, substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:**
- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. The insured uses, generates or produces the "pollutant".
- 19. "Products-completed operations hazard":**
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in your contract has been completed.
      - (b) When all of the work to be done at the site has been completed, if your contract calls for work at more than one site.
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another
- 20. "Property damage" means:**
- a. Physical injury to or destruction of tangible property including all resulting loss of use. All such loss of use shall be deemed to occur at the time of the physical injury or destruction that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
- 21. "Subsidiary" means any organization in which more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled, directly or indirectly, in any combination, by one or more of the Named Insureds.**
- 22. "Suit" means a civil proceeding in which money damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies are alleged. "Suit" includes:**
- a. An arbitration proceeding in which such money damages are claimed and to which the insured must submit or does submit with our consent;
  - b. Any other alternative dispute resolution proceeding in which such money damages are claimed and to which the insured submits with our consent; or
  - c. An appeal of a civil proceeding.



23. "Temporary worker" means a person who is furnished to you to:
- Substitute for a permanent "employee" on leave; or
  - Meet seasonal or short-term workload conditions.
24. "Ultimate net loss" means the sum actually paid or payable in the settlement or satisfaction of the insured's legal obligation for damages, covered by this insurance, either by adjudication or compromise. "Ultimate net loss" does not include Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments** of this Coverage Part.
25. "Underlying insurance" means the insurance listed in the Schedule of Underlying Insurance and the insurance available to the insured under all other insurance policies applicable to the "occurrence". "Underlying insurance" also includes any type of self-insurance or alternative method by which the insured arranges for funding of legal liabilities that affords coverage that this Coverage Part covers.
26. "Underlying limit" means the total of the applicable limits of all "underlying insurance" less the amount, if any, by which the applicable limit of the applicable policy listed in the Schedule of Underlying Insurance has been reduced solely by payment of loss resulting from claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
27. "Workplace" means that place and during such hours to which the "employee" sustaining injury was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".
28. "Your product":
- Means:
- Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
    - You;
    - Others trading under your name; or
    - A person or organization whose business or assets you have acquired; and
  - Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
- Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
  - The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
29. "Your work":
- Means:
- Work or operations performed by you or on your behalf; and
  - Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
- Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
  - The providing of or failure to provide warnings or instructions.

# NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

## COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

### A. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

1. Any liability:
  - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Any liability resulting from the "hazardous properties" of "nuclear material", if
  - a. The "nuclear material" (1) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom,
  - b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - c. The injury or damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if

such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion c. applies only to "property damage" to such "nuclear facility" and any property thereat.

### B. SECTION V - DEFINITIONS is hereby modified to add the following definitions:

1. "Hazardous properties" include radioactive, toxic or explosive properties;
2. "Nuclear material" means "source material", "special nuclear material" or "by-product material";
3. "Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
5. "Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
6. "Nuclear facility" means:
  - a. Any "nuclear reactor";
  - b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", (3) or handling, processing or packaging "waste";
  - c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear materials", if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of

plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations con-

ducted on such site and all premises used for such operations;

- 7. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- 8. "Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART - CLAIMS MADE**

- I. SECTION I - COVERAGE, B. Exclusions**  
(and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

- a.** Any liability caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1)** Inhalation of;
- (2)** Ingestion of;
- (3)** Contact with;
- (4)** Absorption of;
- (5)** Exposure to;
- (6)** Existence of; or
- (7)** Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

- b.** Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;
- c.** Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to

any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (1)** The existence of "fungi" or bacteria;
- (2)** The prevention of "fungi" or bacteria;
- (3)** The remediation of "fungi" or bacteria;
- (4)** Any operation described in Paragraph **b.** above;
- (5)** "Your product"; or
- (6)** "Your work"; or

- d.** Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **a.**, **b.** or **c.** above;

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

- II.** For the purposes of this endorsement, **SECTION V - DEFINITIONS** is amended to include the following:

"Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART-CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability arising out of any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal and advertising injury", involved any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AUTO LIABILITY LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any "auto", unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is afforded by such "underlying insurance".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - EMPLOYER'S LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified as follows:

Exclusion **11. Employer's Liability Limitation** (Exclusion **1.k.** in the Professional Umbrella Liability Coverage Part and the Professional Liability Coverage Part - Claims-Made) is deleted and replaced by the following:

This insurance does not apply to:

Any liability arising from any injury to:

- a.** An "employee" of the insured sustained in the "workplace";
- b.** An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c.** The spouse, child, parent, brother or sister of that "employee" as a consequence of **a.** or **b.** above.

This exclusion applies:

- a.** Whether the insured may be liable as an employer or in any other capacity; and
- b.** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA AMENDATORY  
EXCLUSION - LIABILITY ARISING FROM STATUTE  
OR REGULATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SCHEDULE**

**Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management; I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to liability arising from one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL  
OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY  
- WITH LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to delete Exclusion **10. Electronic Data** in its entirety and replace it with the following:

This insurance does not apply to:

**10. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Any liability arising out of:

- a.** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b.** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **a.** or **b.** above.

However, this exclusion does not apply:

- (1)** To damages because of "bodily injury", unless Paragraph **a.** above applies; and
- (2)** When such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE PROPERTY MANAGED EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

"Property damage" to property you operate or manage or for which you act as agent for the collection of rents or act in any other supervisory capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

"Property damage" to personal property not owned by an insured and in the care, custody or control of an insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE OPERATIONS LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

With respect to real estate operations, this insurance applies only to "bodily injury", "personal and advertising injury" or "property damage" arising out of the ownership, operation, maintenance or use of:

- a.** Such part of any premises you use for general office purposes; and
- b.** Premises listed with you for sale or rental, if:
  - (1)** You do not own, operate, manage or rent the premises;
  - (2)** They are not in your care, custody, or control; or
  - (3)** You do not act as agent for the collection of rents or in any supervisory capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL POLLUTANT EXCLUSION - OTHER THAN AUTO**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified as follows:

Exclusion **17. Pollutant - Other Than Auto** (Exclusion **1.q.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is hereby deleted and replaced by the following:

### **Pollutant - Other Than Auto**

This insurance does not apply to:

- a.** Any liability caused by "pollutants".
- b.** Any loss, cost or expense arising out of any:
  - (1)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (2)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LEAD LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

- a.** Any liability arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead in any form emanating from any source.
- b.** Any loss, cost or expense arising out of, resulting from or in any way related to any:
  - (1)** Claim, "suit", request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead in any form; or
  - (2)** Claim or "suit" by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE  
INSURANCE LAWS - LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law, unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYEE BENEFIT LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

This policy is modified to add the following:

**I. SECTION I - COVERAGE, A. Insuring Agreement(s)** is modified to add the following:

**EMPLOYEE BENEFIT LIABILITY:**

We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages because of any negligent act, error or omission of the insured or any other person for whose acts the insured is legally liable arising out of the administration of the insured's employee benefit programs.

This insurance applies only to negligent acts, errors or omissions:

- a.** Whose damages are in excess of the "underlying insurance" provided by an Employee Benefit Liability policy listed in the Schedule of Underlying Insurance; and
- b.** Which occur during the policy period.

**II. SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following exclusion:

This insurance does not apply to:

Any liability arising out of employee benefit programs unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)  
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION - IV CONDITIONS** is amended to include the following:

**Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE DECLARATIONS  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART DECLARATIONS  
EXCESS LIABILITY COVERAGE PART DECLARATIONS**

**NAMED INSURED**

THOMPSON THRIFT DEVELOPMENT INC  
THOMPSON THRIFT PROPERTIES LLC  
3600 S 41 LLC  
TT COMMERCIAL TWO LLC  
GEIST LANDING OF FISHERS LLC  
TT COMMERCIAL THREE LLC  
4790 S 41 LLC  
COOL CREEK VILLAGE LLC  
WARSAW 15-300N I LLC  
WARSAW 15-300N III LLC  
100 DETTRO DRIVE MATTOON LLC  
4800 S 41 LLC  
TT FORT WAYNE LLC  
4423 S 41 LLC  
TT COMMERCIAL FOUR LLC  
JP COMMERCIAL LLC  
10720 E HWY 36 LLC  
DREXEL OAK CREEK WI LLC  
901 WABASH LLC  
TT COMMERCIAL ONE LLC  
111 LAKEVIEW LLC  
900 OHIO LLC  
921 OHIO LLC  
TT CROWN POINT LLC  
4780 E MARGARET AVE LLC  
SPRINGDALE POINTE LLC  
WESTERN PLAZA LLC  
CASSOPOLIS STREET ELKHART LLC  
SIMON ROAD FRANKLIN LLC  
925 WABASH LLC  
ALEXANDRIA PIKE HIGHLAND HEIGHTS LLC  
THOMPSON THRIFT HOLDING CO LLC  
FISHERS MARKET SQUARE DRIVE LLC  
106TH STREET PARTNERS LLC  
TTS LAND CO LLC  
TT S 41 LLC  
BAUER FARM LAWRENCE KS LLC  
ICEBREAKER DEVELOPMENT LLC  
QUEEN CREEK AZ LLC  
FISHERS MARKET PLACE LOT 4E LLC  
2007 S HWY 27 SOMERSET KY LLC  
HWY 41A HOPKINSVILLE KY LLC  
200 CROSSROADS PLOVER WI LLC  
BELL ROAD SURPRISE AZ LLC  
CHANDLER BLVD CHANDLER AZ LLC  
SPRINGDALE POINTE MTB LLC  
HUNTSVILLE MADISON AL LLC  
300 SHERIDAN LLC  
SPRINGDALE ESTATES FISHERS IN LLC  
3131 CAMELBACK RD LLC  
BAUER FARM LAWRENCE KS LLC  
WATERMARK AT TIFFANY SPRINGS MO LLC  
WATERMARK AT GILBERT AZ LLC

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE DECLARATIONS  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART DECLARATIONS  
EXCESS LIABILITY COVERAGE PART DECLARATIONS**

**NAMED INSURED**

BELL ROAD SURPRISE AZ LLC  
SHELBYVILLE RD LOUISVILLE KY LLC  
LOT 1A ELKHART LLC  
GEIST LANDING II LLC  
WATERMARK AT HUNTSVILLE AL LLC  
WATERMARK AT BRIARGATE CO LLC  
WATERMARK AT PEORIA AZ LLC  
WATERMARK AT POWER RD II LLC  
CORTARO COMMERCIAL JV LLC  
CONCORD MILLS MEZZ LLC  
CONCORD MILLS NC LLC  
TTRG FISHERS DISTRICT LLC  
WATERMARK AT FISHERS DISTRICT LLC  
CHANDLER BLVD CHANDLER AZ LLC  
TTRG COMMERCE CITY LLC  
LAKE PLEASANT PEORIA AZ LLC  
116TH STATION FISHERS IN LLC  
WATERMARK AT DEV SPRING TX LLC  
WATERMARK AT DAVENPORT FL LLC

<input checked="" type="checkbox"/>	<b>THE CINCINNATI INSURANCE COMPANY</b> 0244-10677	
<input type="checkbox"/>	<b>THE CINCINNATI CASUALTY COMPANY</b> 0244-28665	
<input type="checkbox"/>	<b>THE CINCINNATI INDEMNITY COMPANY</b> 0244-23280	
<b>AUTOMOBILE LIABILITY I.D. CARD</b>		
State	Date Processed	
IN	06-01-2020	
Policy No.	Effective Date	Expiration Date
EBA 053 36 25	05-01-2020	05-01-2021
Insured: <b>THOMPSON THRIFT DEVELOPMENT INC</b>		
901 WABASH AVE TERRE HAUTE, IN 47807-3232		
<b>MOTOR VEHICLE INSURED</b>		
Year	Make	
2020	FORD EXPEDITION	
Vehicle Identification No.		
1FMJK1PT7LEA17806		
Signature _____		
<b>IN CASE YOU HAVE AN ACCIDENT. . .</b> <b>CALL YOUR AGENT. . .</b>		
ONI RISK PARTNERS, INC. 13-317		
P.O. BOX 80159 INDIANAPOLIS, IN 46280-0159		
812-478-6000		
The Cincinnati Insurance Company The Cincinnati Casualty Company The Cincinnati Indemnity Company		
P.O. Box 145496, Cincinnati, OH, 45250-5496 (513) 870-2000		
AA 4122 09/01		

**KEEP THIS CARD  
IN YOUR MOTOR VEHICLE  
WHILE IN OPERATION**

We can serve you better if you...

1. Report all claims immediately to the police and to your agent.
2. Get the names, addresses, and telephone numbers of all drivers, owners, and occupants of the other cars involved.
3. Get the names, addresses, and telephone numbers of any witnesses.
4. Do not accept responsibility or discuss the accident with anyone except a police officer or a representative of this Company.

**SUPPLEMENTARY PAYMENTS**

This Company agrees, through its Representative or otherwise, to pay premiums or costs on bonds to release attachments, also, the premium on or cost of bail bonds not to exceed the limit per bail bond listed in "supplementary payments" in the policy. The Company has no obligation to apply for or furnish any such bonds.

CONSULT YOUR POLICY FOR ACTUAL COVERAGE IN FORCE ON SPECIFIC VEHICLES.

**SERVICE TO YOU IS OUR MAIN CONCERN**

<p> <input checked="" type="checkbox"/> <b>THE CINCINNATI INSURANCE COMPANY 0244-10677</b>  <input type="checkbox"/> <b>THE CINCINNATI CASUALTY COMPANY 0244-28665</b>  <input type="checkbox"/> <b>THE CINCINNATI INDEMNITY COMPANY 0244-23280</b> </p> <p align="center"><b>AUTOMOBILE LIABILITY I.D. CARD</b></p> <p> State _____ Date Processed _____  <b>IN</b> _____ <b>06-01-2020</b> </p> <p> Policy No. _____ Effective Date _____ Expiration Date _____  <b>EBA 053 36 25</b> <b>05-01-2020</b> <b>05-01-2021</b> </p> <p><b>Insured: THOMPSON THRIFT DEVELOPMENT INC</b></p> <p><b>901 WABASH AVE</b>  <b>TERRE HAUTE, IN 47807-3232</b></p> <p align="center"><b>MOTOR VEHICLE INSURED</b></p> <p> Year _____ Make _____  <b>2010</b> <b>FORD F150</b> </p> <p>Vehicle Identification No.  <b>1FTMF1CW4AKE69362</b> </p> <p><b>Signature</b> _____</p>	<p align="center"><b>KEEP THIS CARD IN YOUR MOTOR VEHICLE WHILE IN OPERATION</b></p> <p>We can serve you better if you...</p> <ol style="list-style-type: none"> <li>1. Report all claims immediately to the police and to your agent.</li> <li>2. Get the names, addresses, and telephone numbers of all drivers, owners, and occupants of the other cars involved.</li> <li>3. Get the names, addresses, and telephone numbers of any witnesses.</li> <li>4. Do not accept responsibility or discuss the accident with anyone except a police officer or a representative of this Company.</li> </ol> <p align="center"><b>SUPPLEMENTARY PAYMENTS</b></p> <p>This Company agrees, through its Representative or otherwise, to pay premiums or costs on bonds to release attachments, also, the premium on or cost of bail bonds not to exceed the limit per bail bond listed in "supplementary payments" in the policy. The Company has no obligation to apply for or furnish any such bonds.</p> <p><b>CONSULT YOUR POLICY FOR ACTUAL COVERAGE IN FORCE ON SPECIFIC VEHICLES.</b></p> <p align="center"><b>SERVICE TO YOU IS OUR MAIN CONCERN</b></p>
<p align="center"><b>IN CASE YOU HAVE AN ACCIDENT... CALL YOUR AGENT...</b></p> <p><b>ONI RISK PARTNERS, INC. 13-317</b></p> <p><b>P.O. BOX 80159</b>  <b>INDIANAPOLIS, IN 46280-0159</b></p> <p><b>812-478-6000</b></p> <p><b>The Cincinnati Insurance Company</b>  <b>The Cincinnati Casualty Company</b>  <b>The Cincinnati Indemnity Company</b></p> <p><b>P.O. Box 145496, Cincinnati, OH, 45250-5496</b>  <b>(513) 870-2000</b></p> <p align="right"><b>AA 4122 09/01</b></p>	

<p> <input checked="" type="checkbox"/> <b>THE CINCINNATI INSURANCE COMPANY 0244-10677</b>  <input type="checkbox"/> <b>THE CINCINNATI CASUALTY COMPANY 0244-28665</b>  <input type="checkbox"/> <b>THE CINCINNATI INDEMNITY COMPANY 0244-23280</b> </p> <p align="center"><b>AUTOMOBILE LIABILITY I.D. CARD</b></p> <p> State _____ Date Processed _____  <b>IN</b> _____ <b>06-01-2020</b> </p> <p> Policy No. _____ Effective Date _____ Expiration Date _____  <b>EBA 053 36 25</b> <b>05-01-2020</b> <b>05-01-2021</b> </p> <p><b>Insured: THOMPSON THRIFT DEVELOPMENT INC</b></p> <p><b>901 WABASH AVE</b>  <b>TERRE HAUTE, IN 47807-3232</b></p> <p align="center"><b>MOTOR VEHICLE INSURED</b></p> <p> Year _____ Make _____  <b>2018</b> <b>FORD F150</b> </p> <p>Vehicle Identification No.  <b>1FTMF1CBXJKF52274</b> </p> <p><b>Signature</b> _____</p>	<p align="center"><b>KEEP THIS CARD IN YOUR MOTOR VEHICLE WHILE IN OPERATION</b></p> <p>We can serve you better if you...</p> <ol style="list-style-type: none"> <li>1. Report all claims immediately to the police and to your agent.</li> <li>2. Get the names, addresses, and telephone numbers of all drivers, owners, and occupants of the other cars involved.</li> <li>3. Get the names, addresses, and telephone numbers of any witnesses.</li> <li>4. Do not accept responsibility or discuss the accident with anyone except a police officer or a representative of this Company.</li> </ol> <p align="center"><b>SUPPLEMENTARY PAYMENTS</b></p> <p>This Company agrees, through its Representative or otherwise, to pay premiums or costs on bonds to release attachments, also, the premium on or cost of bail bonds not to exceed the limit per bail bond listed in "supplementary payments" in the policy. The Company has no obligation to apply for or furnish any such bonds.</p> <p><b>CONSULT YOUR POLICY FOR ACTUAL COVERAGE IN FORCE ON SPECIFIC VEHICLES.</b></p> <p align="center"><b>SERVICE TO YOU IS OUR MAIN CONCERN</b></p>
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**The Cincinnati Insurance Company  
The Cincinnati Casualty Company  
The Cincinnati Indemnity Company**

**Policy Number: EPP 053 36 25**

**Effective Date: 05-01-2020**

**Named Insured: THOMPSON THRIFT DEVELOPMENT INC**

For professional advice and policy questions or changes, please contact your local independent agency:

**ONI RISK PARTNERS, INC.  
P.O. BOX 80159  
INDIANAPOLIS, IN 46280-0159**

**812-478-6000**

Dear Policyholder:

**Thank you**

Thank you for trusting The Cincinnati Insurance Companies with your commercial insurance coverage. We recognize that locally based independent agents have the working knowledge to help you choose the right insurance company for your needs. Together with your local independent insurance agency, we are committed to providing you with the highest level of service.

Please review your enclosed policy information to verify your coverage details, as well as deductibles and coverage amounts. Should your needs change, your agent is available to review and update your policy.

**Please promptly report claims**

If you experience a policy-related loss, you may report it by contacting your local professional independent agency representing The Cincinnati Insurance Companies or by directly calling us toll-free at **877-242-2544** and providing your policy number and claim-related information.

Sincerely,



Sean M. Givler  
Senior Vice President - Commercial Lines



## BUSINESS INCOME REPORT/WORK SHEET

Date 06-01-2020

Your Name THOMPSON THRIFT DEVELOPMENT INC

Location \_\_\_\_\_

This work sheet must be completed on an accrual basis.

The beginning and ending inventories in all calculations should be based on the same valuation method.

---

### APPLICABLE WHEN THE AGREED VALUE COVERAGE OPTION APPLIES:

I certify that this is a true and correct report of values as required under this policy for the periods indicated and that the Agreed Value for the period of coverage is \$ \_\_\_\_\_, based on a Co-insurance percentage of \_\_\_\_\_ %

Signature \_\_\_\_\_

Official Title \_\_\_\_\_

---

### APPLICABLE WHEN THE PREMIUM ADJUSTMENT FORM APPLIES:

I certify that this is a true and correct report of values as required under this policy for the 12 months ended \_\_\_\_\_

Signature \_\_\_\_\_

Official Title \_\_\_\_\_

Agent or Broker \_\_\_\_\_

Mailing Address \_\_\_\_\_

**BUSINESS INCOME REPORT/WORK SHEET  
FINANCIAL ANALYSIS**

		12 Month Period Ending _____	Estimated for 12 Month Period Beginning _____
<u>Income and Expenses</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>
			<u>Non- Manufacturing</u>
<b>A.</b> Gross Sales	\$ _____	\$ _____	\$ _____
<b>B.</b> DEDUCT: Finished Stock Inventory (at sales value) at Beginning	- _____	XXXXXX XXXXXX	- _____ XXXXXX
<b>C.</b> ADD: Finished Stock Inventory (at sales value) at End	+ _____	XXXXXX	+ _____
<b>D.</b> Gross Sales Value of Production	\$ _____	XXXXXX	\$ _____
<b>E.</b> DEDUCT: Prepaid Freight - Outgoing	- _____	- _____	- _____
Returns & Allowances	- _____	- _____	- _____
Discounts	- _____	- _____	- _____
Bad Debts	- _____	- _____	- _____
Collection Expenses	- _____	- _____	- _____
<b>F.</b> Net Sales		\$ _____	\$ _____
Net Sales Value of Production	\$ _____		\$ _____
<b>G.</b> ADD: Other Earnings from your business operations (not investment income or rents from other properties):			
Commissions or Rents	+ _____	+ _____	+ _____
Cash Discounts Received	+ _____	+ _____	+ _____
Other	+ _____	+ _____	+ _____
<b>H.</b> Total Revenues	\$ _____	\$ _____	\$ _____

	12 Month Period Ending _____		Estimated for 12 Month Period Beginning _____	
<u>Income and Expenses</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>
Total Revenues (Line <b>H.</b> from previous page	\$ _____	\$ _____	\$ _____	\$ _____
<b>I. DEDUCT:</b>				
Cost of goods sold (see next page for instructions)	- _____	- _____	- _____	- _____
Cost of services purchased from outsiders (not your employees) to resell, that do not continue under contract	- _____	- _____	- _____	- _____
Power, heat and refrigera- tion expenses that do not continue under contract (if <b>CP 15 11</b> is attached)	- _____	- XXXXXX	- _____	- XXXXXX
All ordinary payroll expenses or the amount of payroll expense excluded (if <b>CP 15 10</b> is attached)	- _____	- XXXXXX	- _____	- XXXXXX
Special deductions for mining properties (see next page for instructions)	- _____	- _____	- _____	- _____
<b>J.1.</b> Business Income exposure for 12 months	\$ _____	_____	_____	_____
<b>J.2.</b> Combined (firms engaged in manufacturing & non- manufacturing operations)	\$ _____		\$ _____	
The figures in <b>J.1. or J.2</b> represent 100% of your actual and estimated Business Income exposure for 12 months				
<b>K. Additional Expenses:</b>				
1. Extra Expenses - form <b>CP 00 30</b> only (expenses incurred to avoid or minimize suspension of business & to continue operations)			\$ _____	\$ _____

## 2. Extended Business Income

and Extended Period of Indemnity - form **CP 00 30** or **CP 00 32** (loss of Business Income following resumption of operations, up to 30 days or the no. of days selected under Extended Period of Indemnity option)

3. Combined (all amounts in **K.1.** and **K.2.**)

+ \_\_\_\_\_ + \_\_\_\_\_  
\$ \_\_\_\_\_  
"Estimated" column  
\$ \_\_\_\_\_

**L.** Total of **J.** and **K.**

The figure in **L.** represents 100% of your estimated Business Income exposure for 12 months, and additional expenses. Using this figure as information, determine the approximate amount of insurance needed based on your evaluation of the number of months needed (may exceed 12 months) to replace your property, resume operations and restore the business to the condition that would have existed if no property damage had occurred.

Refer to the agent or Company for information on available Coinsurance levels and indemnity options. The Limit of Insurance you select will be shown in the Declarations of the policy.

**Supplementary Information**  
**12 Month Period**  
**Ending**

**Estimated for 12 Month Period**  
**Beginning**

	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Manufacturing</u>	<u>Non- Manufacturing</u>
<b>CALCULATION OF COST OF GOODS SOLD</b>				
Inventory at beginning of year (Including raw material and stock in process, but not finished stock, for manufacturing risks)	\$ _____	\$ _____	\$ _____	\$ _____
Add: The following purchase costs: Cost of raw stock (including transportation charges)	+ _____	XXXXXX	+ _____	XXXXXX
Cost of factory supplies consumed	+ _____	XXXXXX	+ _____	XXXXXX
Cost of merchandise sold including transportation charges (for manufacturing risks, means cost of merchandise sold but not manufactured by you)	+ _____	+ _____	+ _____	+ _____
Cost of other supplies consumed (including transportation charges)	+ _____	+ _____	+ _____	+ _____
Cost of goods available for sale	\$ _____	\$ _____	\$ _____	\$ _____
Deduct: Inventory at end of year (Including raw material and stock in process, but not finished stock, for manufacturing risks)	- _____	- _____	- _____	- _____
Costs of Goods Sold (Enter this figure in Item <b>I.</b> on previous page)	\$ _____	\$ _____	\$ _____	\$ _____

CALCULATION OF SPECIAL  
DEDUCTIONS - MINING PROPERTIES

Royalties, unless specifically included in coverage	\$ _____	\$ _____
Actual depletion, commonly known as unit or cost depletion (not percentage depletion)	+ _____	+ _____
Welfare and retirement fund charges based on tonnage	+ _____	+ _____
Hired trucks	+ _____	+ _____
Enter this figure in Item I. on previous page	\$ <u>_____</u>	\$ <u>_____</u>

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
19	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
34	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

- As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
- The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- Any automatic fire protective or extinguishing system, including connected:
  - Sprinklers and discharge nozzles;
  - Ducts, pipes, valves and fittings;
  - Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

**b.** When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- Connected to a central station; or
- Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:



- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## PROTECTIVE SAFEGUARDS

Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

### SCHEDULE

Loc. Number	Bldg. Number	Protective Safeguards Symbols Applicable
55	1	P-1

**Describe any "P-9":**

**A.** The following is added to the:

**Commercial Property Conditions  
Farm Property Coverage Form, General  
Conditions  
Commercial Inland Marine Conditions**

#### **PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
63	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## PROTECTIVE SAFEGUARDS

Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

### SCHEDULE

Loc. Number	Bldg. Number	Protective Safeguards Symbols Applicable
64	1	P-1

**Describe any "P-9":**

**A.** The following is added to the:

**Commercial Property Conditions  
Farm Property Coverage Form, General  
Conditions  
Commercial Inland Marine Conditions**

#### **PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

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- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## PROTECTIVE SAFEGUARDS

Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

### SCHEDULE

Loc. Number	Bldg. Number	Protective Safeguards Symbols Applicable
69	1	P-1

**Describe any "P-9":**

**A.** The following is added to the:

**Commercial Property Conditions  
Farm Property Coverage Form, General  
Conditions  
Commercial Inland Marine Conditions**

#### **PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:



- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## PROTECTIVE SAFEGUARDS

Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

### SCHEDULE

Loc. Number	Bldg. Number	Protective Safeguards Symbols Applicable
69	2	P-1

**Describe any "P-9":**

**A.** The following is added to the:

**Commercial Property Conditions  
Farm Property Coverage Form, General  
Conditions  
Commercial Inland Marine Conditions**

#### **PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## PROTECTIVE SAFEGUARDS

Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

### SCHEDULE

Loc. Number	Bldg. Number	Protective Safeguards Symbols Applicable
71	1	P-1

**Describe any "P-9":**

**A.** The following is added to the:

**Commercial Property Conditions  
Farm Property Coverage Form, General  
Conditions  
Commercial Inland Marine Conditions**

#### **PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

#### **Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
75	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.

2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a.** Any automatic fire protective or extinguishing system, including connected:
- (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

**b.** When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a.** Connected to a central station; or
- b.** Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
76	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

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- a. Hood;
- b. Grease removal device;
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**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

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Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
79	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

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  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

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- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

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- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

## **NORTH CAROLINA NOTICE TO POLICYHOLDERS OF PROPERTY EXCLUSIONS**

**WARNING: THIS PROPERTY INSURANCE POLICY DOES NOT  
PROTECT YOU AGAINST LOSSES FROM:**

**FLOOD**

**MUDFLOW OR MUDSLIDE**

**EARTHQUAKE OR LANDSLIDE**

**YOU SHOULD CONTACT YOUR INSURANCE COMPANY OR  
AGENT TO DISCUSS YOUR OPTIONS FOR OBTAINING COV-  
ERAGE FOR THESE LOSSES.**

**THIS IS NOT A COMPLETE LISTING OF ALL OF THE CAUSES  
OF LOSSES NOT COVERED UNDER YOUR POLICY. YOU  
SHOULD READ YOUR ENTIRE POLICY TO UNDERSTAND  
WHAT IS COVERED AND WHAT IS NOT COVERED.**



## The Cincinnati Insurance Company

A Stock Insurance Company

**Headquarters:** 6200 S. Gilmore Road, Fairfield, OH 45014-5141

**Mailing address:** P.O. Box 145496, Cincinnati, OH 45250-5496

[www.cinfin.com](http://www.cinfin.com) ■ 513-870-2000

### COMMON POLICY DECLARATIONS

Billing Method: **AGENCY BILL**

POLICY NUMBER **EPP 053 36 25 / EBA 053 36 25**

**NAMED INSURED** THOMPSON THRIFT DEVELOPMENT INC

REFER TO IA905

**ADDRESS**

901 WABASH AVE

(Number & Street, Town, County, State & Zip Code) **TERRE HAUTE, IN 47807-3232**

**Previous Policy Number:**

**EPP0533625**

**Policy Period:** At 12:01 A.M., STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

**All coverages except Automobile and / or Garage**

Policy number: **EPP 053 36 25**

FROM: 05-01-2020

TO: 05-01-2021

**Automobile and / or Garage**

Policy number: **EBA 053 36 25**

FROM: 05-01-2020

TO: 05-01-2021

Agency **ONI RISK PARTNERS, INC. 13-317**

City **TERRE HAUTE, IN**

**PRODUCER: STEVE DANIELSON**

**Legal Entity / Business Description**

**LIMITED LIABILITY COMPANY**

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

FORMS APPLICABLE TO ALL COVERAGE PARTS:

IA4298NC	01/07	NORTH CAROLINA NOTICE TO POLICYHOLDERS OF PROPERTY EXCLUSIONS
IA461	06/10	COINSURANCE CONTRACT
SKY1	11/15	NOTICE
IL0017	11/98	COMMON POLICY CONDITIONS
IA102A	09/08	SUMMARY OF PREMIUMS CHARGED
IA4500MO	10/18	MISSOURI - NOTICE TO POLICYHOLDERS
IA904	04/04	SCHEDULE OF LOCATIONS
IA905	02/98	NAMED INSURED SCHEDULE
IA4087	09/17	CANCELLATION OR NONRENEWAL BY US NOTIFICATION TO A DESIGNATED ENTITY
IA4186TX	02/99	TEXAS NOTICE TO POLICYHOLDERS
IA4236	01/15	POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE
IA4344TX	10/09	TEXAS NOTICE TO POLICYHOLDERS EXCLUSION - ASBESTOS
IP409IL	01/91	IMPORTANT INFORMATION TO POLICYHOLDERS ILLINOIS
IP446	08/01	NOTICE TO POLICYHOLDERS
MI1371IN	09/05	NOTICE TO POLICYHOLDERS
IA4105IN	08/16	INDIANA CHANGES - CANCELLATION AND NONRENEWAL
IA4189PA	04/99	IMPORTANT NOTICE
IA4201KS	01/16	KANSAS CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD
IA4238	01/15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IA4295PA	08/06	PENNSYLVANIA WARNING NOTICE

FORMS APPLICABLE TO ALL COVERAGE PARTS:

IA4332TX	08/16	TEXAS IMPORTANT NOTICE
IA4338	05/11	SIGNATURE ENDORSEMENT
IA4347IN	09/08	INDIANA CHANGES - RIGHTS OF RECOVERY
IA4376KY	12/09	KENTUCKY TAXES ENDORSEMENT
IA4382IL	07/17	ILLINOIS CHANGES
IA460	01/16	PROTECTIVE SAFEGUARDS
IL0156	07/89	INDIANA CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD
IL0158	09/08	INDIANA CHANGES
IL0168	05/02	TEXAS CHANGES - DUTIES
IL0910	07/02	PENNSYLVANIA NOTICE
IP412	12/92	IMPORTANT INFORMATION TO POLICYHOLDERS
IL0192	02/08	INDIANA CHANGES - POLLUTION
FM502	07/08	COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
GA532	07/08	COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS
MA573	06/07	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM DECLARATIONS
MA558	06/07	SIGNS COVERAGE PART DECLARATIONS
PA535	08/07	REAL ESTATE AGENTS ERRORS AND OMISSIONS
AA505	03/06	BUSINESS AUTO COVERAGE PART DECLARATIONS
USC513	05/10	COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS

06-01-2020 09:17

Countersigned \_\_\_\_\_ By \_\_\_\_\_  
 (Date) (Authorized Representative)

## COINSURANCE CONTRACT

The rate charged in this policy is based upon use of a coinsurance clause attached hereto, with the consent of the insured.

**IA-461 (6/10)**

### NOTICE

Your premium for this policy includes a Kentucky state surcharge tax required by KRS 136.392 and a tax which will be remitted to the municipality or county in which you reside as required by KRS 91A.080. The amount of the tax is shown on your policy.

S-KY-1 (11/15)

# COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

## A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

## B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

## C. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

## D. Inspections and Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

## E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

## F. Transfer of Your Rights and Duties Under this Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**SUMMARY OF PREMIUMS CHARGED**

Attached to and forming part of

POLICY NUMBER: EPP 053 36 25 / EBA 053 36 25Effective Date: 05-01-2020Named Insured: THOMPSON THRIFT DEVELOPMENT INC**THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE  
PARTS FOR WHICH A PREMIUM CHARGE IS INDICATED**

Commercial Property Coverage Part <u>W/EBC</u>	\$	<u>95,227</u>
Commercial General Liability Coverage Part _____	\$	<u>49,163</u>
Commercial Auto Coverage Part _____	\$	<u>5,345</u>
Commercial Umbrella / Excess Liability Coverage Part _____	\$	<u>21,126</u>
<b>ELECTRONIC DATA PROCESSING EQUIPMENT</b>	\$	<u>1,119</u>
<b>SIGNS</b>	\$	<u>1,509</u>
<b>REAL ESTATE AGENTS ERRORS AND OMISSIONS</b>	\$	<u>4,245</u>
<b>KY MUNICIPAL TAX - REFER TO IA4376KY</b>	\$	<u>412</u>
<b>KY SURCHARGE - REFER TO IA4376KY</b>	\$	<u>75</u>
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
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_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
Terrorism Coverage _____	\$	<u>1,287</u>
Installment Charge _____	\$	_____
<b>ANNUAL TOTAL</b>	\$	<u>179,508</u>
<b>PAYMENTS</b>		

	First Installment	Remaining Installment(s)
<b>ANNUAL</b>	<b>179,508</b>	

Automobile Coverages, Employers Liability, Employment Practices Liability Coverage, Professional Liability Coverage, Terrorism Coverage and / or Wrongful Acts Coverage, if included in the policy, are subject to Annual Adjustment of rates and premium on each anniversary of the policy.

Commercial Umbrella and Excess Liability, if included in the policy, may be subject to Annual Adjustment of premium on each anniversary. Refer to the Commercial Umbrella or Excess Liability Coverage Part Declarations form to see if this is applicable.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED****IA 102 A 09 08**



## **MISSOURI - NOTICE TO POLICYHOLDERS**

As it pertains to your commercial policy:

This policy may include rates and forms which may not be filed with the Missouri Department of Insurance, Financial Institutions and Professional Registration pursuant to MO. REV. STAT. §379.321.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
1	901 WABASH AVE TERRE HAUTE, IN 47807-3232			
2	10720-10730 E US HIGHWAY 36 AVON, IN 46123-7982			
3	80 E GARNER RD BROWNSBURG, IN 46112-8704			
4	831 S RANGELINE RD CARMEL, IN 46032-2506			
5	841 S RANGELINE RD CARMEL, IN 46032-2504			
6	2920 N NATIONAL RD COLUMBUS, IN 47201-3234			
7	10180 BROADWAY CROWN POINT, IN 46307-8804			
8	7226 FISHERS CROSSING DR FISHERS, IN 46038-2793			
9	11703 OLIO RD FISHERS, IN 46037-7684			
10	11675 OLIO RD FISHERS, IN 46037-7683			
11	5409-5417 MEIJER DR FORT WAYNE, IN 46835-9487			
12	5421 MEIJER DR FORT WAYNE, IN 46835-9487			
13	LAKEWOOD SUBDIVISION DENNISON, IL 62423			
14	LOT 4 LAKEWOOD SUBDIVISION DENNISON, IL 62423			
15	LOT 5 LAKEWOOD SUBDIVISION DENNISON, IL 62423			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
16	LOT 8 LAKEWOOD SUBDIVISION DENNISON, IL 62423			
17	120 FIELDS ST MOORESVILLE, IN 46158-1491			
18	330 STATE ST MOUNT VERNON, IN 47620-2207			
19	921 OHIO ST TERRE HAUTE, IN 47807-3738			
20	4780 E MARGARET DR TERRE HAUTE, IN 47803-9303			
21	4795-99 S 7TH ST TERRE HAUTE, IN 47802			
22	4800 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4415			
23	4791 S 7TH ST TERRE HAUTE, IN 47802-4559			
24	4803 S 7TH ST TERRE HAUTE, IN 47802-4565			
25	4900 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4495			
26	4423 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4408			
27	222 CHERRY ST TERRE HAUTE, IN 47807-2932			
28	4790 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4413			
29	3087 WABASH AVE TERRE HAUTE, IN 47803-1515			
30	3045 WABASH AVE TERRE HAUTE, IN 47803-1515			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
31	234 IDAHO ST TERRE HAUTE, IN 47802-1930			
32	RIGNEY ROAD & SULLIVAN PLACE TERRE HAUTE, IN 47802			
33	3009 WABASH AVE TERRE HAUTE, IN 47803-1515			
34	3670 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4104			
35	6541 STATE ROAD 42 TERRE HAUTE, IN 47803-9220			
36	6541 STATE ROAD 42 LOT 2 TERRE HAUTE, IN 47803-9220			
37	401 WABASH AVE TERRE HAUTE, IN 47807-3215			
38	1834 LAFAYETTE AVE TERRE HAUTE, IN 47804-1417			
39	900 OHIO ST TERRE HAUTE, IN 47807-3722			
40	3375 S 4TH ST TERRE HAUTE, IN 47802			
41	PT SE 1/4 29--33-6 & LOTS 1D & 1F WARSAW, IN 46580			
42	NW 1/4 OF NW 1/4 SEC 25/NE 1/4; SEC 26 T13N PARIS, IL 61944			
43	S 1/2 OF E 1/3 OF S 1/2 OF SE; 1/4 OF SW 1/4 ALLERTON, IL 61810			
44	NE 1/4 OF SW 1/4 SEC 25 T13N; R11W OF 2ND PM PARIS, IL 61944			
45	SEC 27 TWP 13N RG 11W 7 SEC 26 TWP 13N RGE PARIS, IL 61944			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<b><u>LOC.</u></b>	<b><u>STREET ADDRESS</u></b>	<b><u>CITY</u></b>	<b><u>STATE</u></b>	<b><u>ZIP CODE</u></b>
46	19295 E 400TH RD ALLERTON, IL 61810			
47	135-255 SHERIDAN RD NOBLESVILLE, IN 46060			
48	530 WESTFIELD RD NOBLESVILLE, IN 46060-1320			
49	305-345 SHERIDAN RD NOBLESVILLE, IN 46060-1313			
50	300 SHERIDAN RD NOBLESVILLE, IN 46060-1312			
51	111 LAKEVIEW DR NOBLESVILLE, IN 46060-1308			
52	5-55 E KEMPER RD CINCINNATI, OH 45246			
53	11560 PRINCETON PIKE CINCINNATI, OH 45246-3206			
54	925 WABASH AVE TERRE HAUTE, IN 47807-3236			
55	2760 ALEXANDRIA WAY # 2790 HIGHLAND HEIGHTS, KY 41076-1524			
56	16 S 9TH ST TERRE HAUTE, IN 47807-3710			
57	2710-2740 ALEXANDRIA PIKE NEWPORT, KY 41076			
58	0 KINCAID DR FISHERS, IN 46037			
59	5399 S US HIGHWAY 41 TERRE HAUTE, IN 47802-4778			
60	SWC OF CHRISTENBURY PKWY & DERITA ROAD CONCORD, NC 28027			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
61	PT NW 16-13-11 VERMILION, IL 61955			
62	111 MONUMENT CIR STE 1600 INDIANAPOLIS, IN 46204-0063			
63	8845 CHRISTENBURY PKWY CONCORD, NC 28027-0040			
64	3131 E CAMELBACK RD STE 115 PHOENIX, AZ 85016-4597			
65	2039 S HIGHWAY 27 SOMERSET, KY 42501-2927			
66	19828 E 500TH RD PARIS, IL 61944-6237			
67	SW 1/4 OF NE 1/4 OF SEC 26 PARIS, IL 61944			
68	PTE 940.5'SE SE PARIS, IL 61944			
69	500 WABASH AVE TERRE HAUTE, IN 47807-3218			
70	SWC BELL RD & CIVIC CENTER DR SURPRISE, AZ 85374			
71	8875 CHRISTENBURY PKWY CONCORD, NC 28027-0040			
72	955 N 400 W LAYTON, UT 84041-2383			
73	I-69 & 116TH ST FISHERS, IN 46038			
74	24 N 6TH ST TERRE HAUTE, IN 47807-3124			
75	8885-8905 CHRISTENBURY PKWY CONCORD, NC 28027			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
76	4820 BAUER FARM DR LAWRENCE, KS 66049-9038			
77	8915 CHRISTENBURY PKWY CONCORD, NC 28027-0176			
78	NEC OF WREN DRIVE & RAY ROAD GILBERY, AZ 85234			
79	1017 CHARLESTON AVE E LOT 3 MTB MATTOON, IL 61938-6226			
80	1405 S CENTER ST TERRE HAUTE, IN 47802-1121			
81	4358 N 2025TH ST 18.03A GEN LIAB PARIS, IL 61944-6241			
82	18400 E ELMENDORF DR SW INTERSECTION OF TOWER RD & ELMENDORF DR DENVER, CO 80249			
83	NE CORNER OF CORTARO RD & I-10 MARANA, AZ 85653			
84	CHAMBERS RD & E 10TH AVE COMMERCE CITY, CO 80022			
85	7203 NW GRAND PKWY SPRING, TX 77379			
86	9712 E 116TH ST FISHERS, IN 46037-2840			
87	5599 US 41 TERRE HAUTE, IN 47802			
88	NW CORNER OF DERITA & ODELL SCHOOL RD CONCORD, NC 28027			
89	8060 OSCEOLA POLK LINE RD DAVENPORT, FL 33896-9102			
90	SEC LAKE PLEASANT PKWY & HAPPY VALLEY RD PEORIA, AZ 85383			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
91	RIDGE RD & ODELL SCHOOL RD CHARLOTTE, NC 28262			
92	1057 E MOREHEAD ST STE 300 CHARLOTTE, NC 28204-2868			
93	3668 S DALLAS ST AURORA, CO 80014-7439			
94	2398 E CAMELBACK RD STE 210 PHOENIX, AZ 85016-9001			
95	7400 TYLERSVILLE RD WEST CHESTER, OH 45069-2552			
96	10687 N 116TH ST SCOTTSDALE, AZ 85259-4183			
97	195 BEDZEL CIR NAPLES, FL 34104-0501			
98	SE CORNER OF TOWER RD & LEAVITT RD LORAIN, OH 44053			
99	1000 STRAND RD CRANBERRY TOWNSHIP, PA 16066			
100	8815 CHRISTENBURY PKWY CONCORD, NC 28027			
101	8825 CHRISTENBURY PKWY CONCORD, NC 28027			
102	9705 FISHERS DISTRICT DR FISHERS, IN 46037			
103	11545 IKEA WAY FISHERS, IN 46037-9836			
104	5420 N HAMILTON RD COLUMBUS, OH 43230-1320			
105	9707 DISTRICT NORTH DR FISHERS, IN 46037-0010			



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF LOCATIONS**

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
106	19454 E 400TH RD PARIS, IL 61944-6242			
107	SW CORNER OF BALCH ROAD & CARTER ST MADISON, AL 35758			
108	5620 W CORTARO FARMS RD TUCSON, AZ 85742-9559			
109	300 TOWN PARK DRIVE CONROE, TX 77304			
110	3180 E MAIN ST COLUMBUS, OH 43213-2735			
111	24715 N LAKE PLEASANT PKWY PEORIA, AZ 85383			
112	NW CORNER OF PINE ISLAND ROAD & DEL PRADO BOULEVARD CAPE CORAL, FL 33909			
113	3050 DERITA RD CONCORD, NC 28027-3366			
114	7901 NORTHWEST BARRYBROOKE DRIVE KANSAS CITY , MO 64151			
115	2201 NW FEDERAL HWY STUART, FL 34994			
116	9708 DISTRICT NORTH DR FISHERS, IN 46037-0010			
117	9713 DISTRICT NORTH DR FISHERS, IN 46037-0010			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

This Schedule supplements the Declarations.

### **SCHEDULE**

Named Insured:

THOMPSON THRIFT DEVELOPMENT INC  
THOMPSON THRIFT PROPERTIES LLC  
3600 S 41 LLC  
TT COMMERCIAL TWO LLC  
GEIST LANDING OF FISHERS LLC  
TT COMMERCIAL THREE LLC  
4800 S 41 LLC  
COOL CREEK VILLAGE LLC  
WARSAW 15-300N I LLC  
WARSAW 15-300N III LLC  
100 DETTRO DRIVE MATTOON LLC  
TT FORT WAYNE LLC  
4423 S 41 LLC  
TT COMMERCIAL FOUR LLC  
JP COMMERCIAL LLC  
10720 E HWY 36 LLC  
901 WABASH LLC  
TT COMMERCIAL ONE LLC  
111 LAKEVIEW LLC  
900 OHIO LLC  
921 OHIO LLC  
TT CROWN POINT LLC  
4780 E MARGARET AVE LLC  
SPRINGDALE POINTE LLC  
WESTERN PLAZA LLC  
CASSOPOLIS STREET ELKHART LLC  
SIMON ROAD FRANKLIN LLC  
925 WABASH LLC  
ALEXANDRIA PIKE HIGHLAND HEIGHTS LLC  
FISHERS MARKET SQUARE DRIVE LLC  
106TH STREET PARTNERS LLC  
500 WABASH HOUSING LLC  
TT S 41 LLC  
BAUER FARM LAWRENCE KS LLC  
ICEBREAKER DEVELOPMENT LLC  
QUEEN CREEK ARIZONA LLC  
FISHERS MARKET PLACE LOT 4E LLC  
2007 S HWY 27 SOMERSET KY LLC  
HWY 41A HOPKINSVILLE KY LLC  
BELL ROAD SURPRISE AZ LLC  
CHANDLER BLVD CHANDLER AZ LLC  
SPRINGDALE POINTE MTB LLC  
HUNTSVILLE MADISON AL LLC  
SPRINGDALE ESTATES FISHERS IN LLC  
3131 CAMELBACK RD LLC  
WATERMARK AT TIFFANY SPRINGS MO LLC  
WATERMARK AT GILBERT AZ LLC  
LOT 1A ELKHART LLC  
GEIST LANDING II LLC  
WATERMARK AT HUNTSVILLE AL LLC

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

This Schedule supplements the Declarations.

### **SCHEDULE**

Named Insured:

WATERMARK AT BRIARGATE CO LLC  
WATERMARK AT PEORIA AZ LLC  
WATERMARK AT TOWER RD II LLC  
CORTARO COMMERCIAL JV LLC  
CONCORD MILLS MEZZ LLC  
CONCORD MILLS NC LLC  
TTRG FISHERS DISTRICT LLC  
WATERMARK AT FISHERS DISTRICT LLC  
TTRG COMMERCE CITY LLC  
LAKE PLEASANT PEORIA AZ LLC  
116TH STATIONS FISHERS IN LLC  
WATERMARK AT DEV SPRING TX LLC  
WATERMARK AT DAVENPORT FL LLC  
24 N 6TH LLC  
4790 S US HWY 41 LLC  
92ND MICHIGAN INDY LLC  
DAYTON STATION CO LLC  
DERITA CONCORD NC LLC  
INDIAN CREEK RANCH LLC  
MALLARD CREEK CHARLOTTE NC LLC  
PROMENADE AT CHENAL LITTLE ROCK LLC  
PROMENADE AT CHENAL LOT 3 LLC  
TT SALT LAKE CITY UT LLC  
WATERMARK AT CHESTERFIELD VILLAGE MO LLC  
WATERMARK AT MISHAWAKA IN LLC  
WATERMARK AT STUART FL LLC  
WATERMARK RESIDENTIAL  
WILLOW CREEK PRESCOTT AZ LLC  
TYLERSVILLE WEST CHESTER OH LLC  
116TH SCOTTSDALE AZ LLC  
WATERMARK AT NAPLES FL,LLC, HAMILTON COLUMBUS OH, LLC  
WM AT HUNTSVILLE BALCH RD LLC  
SHERWIN WILLIAMS  
WATERMARK AT CONROE TX LLC  
PINE ISLAND CAPE CORAL FL LLC  
MAIN COLUMBUS OH LLC

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CANCELLATION OR NONRENEWAL BY US NOTIFICATION TO A DESIGNATED ENTITY**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS PACKAGE POLICY  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
DENTIST'S PACKAGE POLICY  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY**

### **SCHEDULE**

Name and mailing address of person(s) or organization(s):

BLANK WHEN REQUIRED BY MULTIPLE ENDORSEMENT

Number of days notice (other than nonpayment of premium) \_\_\_\_ to \_\_\_\_.

- A. If we cancel or nonrenew this policy for any statutorily permitted reason other than nonpayment of premium, we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least the number of days shown in the Schedule before the effective date of cancellation or nonrenewal.
- B. If we cancel this policy for nonpayment of premium, we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least 10 days before the effective date of cancellation.
- C. If notice is mailed, proof of mailing to the mailing address shown in the Schedule will be sufficient proof of notice.
- D. In no event will coverage extend beyond the actual expiration, termination or cancellation of the policy.

## **TEXAS NOTICE TO POLICYHOLDERS**

The Cincinnati Insurance Companies can provide loss control services to your organization at no additional charge. It is our goal to provide loss control services as a value added service to your insurance investment. If you wish to utilize our services or have questions about the types of services we offer, please contact us at (513) 870-2731.

## POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

Your policy may contain coverage for certain losses caused by terrorism.

### **Premium:**

In accordance with the federal Terrorism Risk Insurance Act, we are required to notify you of the portion of the premium, if any, attributable to the coverage for terrorist acts certified under the Terrorism Risk Insurance Act.

- Refer to the SUMMARY OF PREMIUMS CHARGED or DECLARATIONS PAGE for the portion of your premium that is attributable to coverage for terrorist acts certified under the Act.

### **Federal Participation:**

The Act also requires us to provide disclosure of federal participation in payment of terrorism losses.

- Under your policy, any losses caused by certified acts of terrorism would be partially reimbursed by the United States Government, Department of Treasury, under a formula established by federal law. Under this formula, the federal share equals a percentage, as specified in the Schedule below, of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

- **Schedule:**

Federal Share of Terrorism Losses	
Percentage	Calendar Year
85%	2015
84%	2016
83%	2017
82%	2018
81%	2019
80%	2020

### **Cap on Insurer Participation:**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**NOTE: IF YOUR POLICY IS A RENEWAL POLICY, THIS NOTICE IS PROVIDED TO SATISFY THE REQUIREMENTS UNDER THE TERRORISM RISK INSURANCE ACT FOR POLICYHOLDER DISCLOSURE: (1) AT THE TIME OF OUR OFFER TO RENEW THE POLICY AND (2) AT THE TIME THE RENEWAL IS COMPLETED.**

## **TEXAS NOTICE TO POLICYHOLDERS EXCLUSION - ASBESTOS**

This Notice does **not** form a part of your insurance contract. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply. Please read your policy, and the endorsements attached to your policy, carefully.

This notice applies to the asbestos exclusion endorsement included in the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PARTS  
COMMERCIAL UMBRELLA COVERAGE PARTS  
EXCESS LIABILITY COVERAGE PARTS  
FARM LIABILITY  
GARAGE COVERAGE FORM  
INLAND MARINE COVERAGE PARTS**

Your policy contains an exclusion for liability arising out of, attributable to or in any way related to asbestos.

**IMPORTANT INFORMATION TO POLICYHOLDERS**  
**ILLINOIS**

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address or telephone collect:

The Cincinnati Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Casualty Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Indemnity Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278



**THE CINCINNATI INSURANCE COMPANY  
THE CINCINNATI CASUALTY COMPANY  
THE CINCINNATI INDEMNITY COMPANY**

**NOTICE TO POLICYHOLDERS**

Please be advised that in your application for insurance you disclosed information to The Cincinnati Insurance Company, The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The information disclosed in the application and all information subsequently collected by any of these companies may be shared among all three.

# **THE CINCINNATI INSURANCE COMPANIES**

THE CINCINNATI INSURANCE COMPANY  
THE CINCINNATI CASUALTY COMPANY

THE CINCINNATI INDEMNITY COMPANY  
THE CINCINNATI LIFE INSURANCE COMPANY

**P.O. BOX 145496  
CINCINNATI, OHIO 45250-5496  
(513) 870-2000**

## **NOTICE TO POLICYHOLDERS**

**Questions regarding your policy or coverage should be directed to:**

**The Cincinnati Insurance Companies  
P.O. Box 145496  
Cincinnati, OH 45250-5496  
(800) 635-7521  
or  
(513) 870-2000**

If you:

- a) Need the assistance of the governmental agency that regulates insurance; or
- b) Have a complaint you have been unable to resolve with your insurer

You may contact the Department of Insurance by mail, telephone or email:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street, Suite 300  
Indianapolis, IN 46204

Consumer Hotline: (800) 622-4461 or (317) 232-2395

Complaints can be filed electronically at [www.in.gov/doi](http://www.in.gov/doi).

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CHEMICAL DRIFT LIMITED LIABILITY COVERAGE PART - CLAIMS-MADE  
CINCINNATI CYBER DEFENSE™ COVERAGE PART  
CINCINNATI DATA DEFENDER™ COVERAGE PART  
CINCINNATI NETWORK DEFENDER™ COVERAGE PART  
CLAIMS-MADE CONTRACTORS ERRORS AND OMISSIONS COVERAGE PART  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
CONTRACTORS' LIMITED POLLUTION LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE FORM  
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE FORM  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE

**A.** Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

**2. a. Cancellation of Policies in Effect for 90 days or Less**

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2) 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us;
- (3) 30 days before the effective date of cancellation if we cancel for any other reason.

**b. Cancellation of Policies in Effect for More Than 90 Days**

If this policy has been in effect for more than 90 days, or is a renewal of a policy we issued, we may cancel this policy, only for one or more of the reasons listed below, by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2) 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us;
- (3) 45 days before the effective date of cancellation if:
  - (a) There has been a substantial change in the scale of risk covered by this policy; or

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Includes copyrighted material of ISO Commercial Risk Services, Inc., with its permission.

- (b) Reinsurance of the risk associated with this policy has been cancelled.
- (c) You have failed to comply with reasonable safety recommendations.

**B.** The following is added to the Common Policy Conditions and supersedes any provision to the contrary.

**NONRENEWAL**

1. If we elect not to renew this policy, we will mail or deliver to the first Named Insured

written notice of nonrenewal at least 45 days before:

- a. The expiration date of this policy, if the policy is written for a term of one year or less; or
  - b. The anniversary date of this policy, if the policy is written for a term of more than one year.
2. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

## **IMPORTANT NOTICE**

As a policyholder of The Cincinnati Insurance Companies, we are required by state statute to provide you with notice that your renewal/anniversary premium may increase. An increase may be attributed to any number of reasons that may include changes in your sales or payroll, increase in your property values or coverage limits, a rate increase, or a change in the nature and extent of your business. You have the ability to control some of these factors through the use of deductibles, safety and loss prevention measures in your workplace, and through careful selection of your insurance coverages. Prior to your renewal/anniversary, please take the time to contact your agent to review this policy to make sure your coverages reflect your current needs.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **KANSAS CHANGES - CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

**MACHINERY AND EQUIPMENT COVERAGE PART  
COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to the **Standard Property Policy CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** The **CONCEALMENT, MISREPRESENTATION OR FRAUD Condition** is replaced by the following:

### **CONCEALMENT, MISREPRESENTATION OR FRAUD**

We will not pay for any loss or damage under this Coverage Part if you or any other insured in relation to an insurance application, rating,

claim or coverage under this policy knowingly and with intent to defraud:

- 1.** Presents, causes to be presented or prepares with the knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement which such person knows to contain materially false information concerning any material fact; or
- 2.** Conceals information concerning any material fact for the purpose of misleading.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

**All Commercial Lines Coverage Parts, Coverage Forms, Policies and Endorsements subject to the federal Terrorism Risk Insurance Act and any amendments and extensions thereto**

- A.** The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- B. Cap On Losses from Certified Acts of Terrorism**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that ex-

ceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

- C. Application of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability, omission or absence of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part, Coverage Form, Policy or Endorsement such as losses excluded by:

1. Exclusions that address war, warlike action, insurrection, rebellion, revolution, military action, nuclear hazard, nuclear materials, nuclear reaction, radiation, or radioactive contamination;
2. Exclusions that address pollutants, contamination, deterioration, fungi or bacteria; or
3. Any other exclusion,

regardless if the "certified act of terrorism" contributes concurrently or in any sequence to the loss.

- D. Sunset Clause**

If the federal Terrorism Risk Insurance Act expires or is repealed, then this endorsement is null and void for any act of terrorism that takes place after the expiration or repeal of the Act.

## **PENNSYLVANIA WARNING NOTICE**

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties. (For auto, upon conviction, shall be subject to imprisonment for up to seven years and payment of a fine of up to \$15,000.)



## TEXAS IMPORTANT NOTICE

To obtain information or make a complaint:

You may call our toll-free telephone number for information or to make a complaint at:

**1-800-635-7521**

You may also write to us at:

The Cincinnati Insurance Companies	or	The Cincinnati Insurance Companies
6200 South Gilmore Road		P.O. Box 145496
Fairfield, Ohio 45014 - 5141		Cincinnati, Ohio 45250-5496

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance:

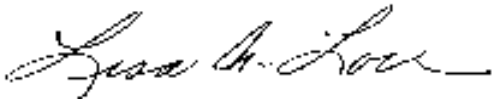
P.O. Box 149104  
Austin, TX 78714-9104  
FAX# (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

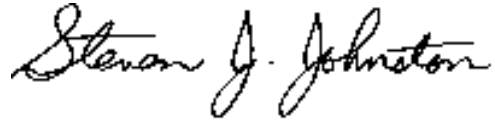
**ATTACH THIS NOTICE TO YOUR POLICY:** This notice is for information only and does not become a part or condition of the attached document.

## SIGNATURE ENDORSEMENT

IN WITNESS WHEREOF, this policy has been signed by our President and Secretary in the City of Fairfield, Ohio, but this policy shall not be binding upon us unless countersigned by an authorized representative of ours. The failure to countersign does not void coverage in Arizona, Virginia and Wisconsin.



Secretary



President

The signature on any form, endorsement, policy, declarations, jacket or application other than the signature of the President or Secretary named above is deleted and replaced by the above signatures.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - RIGHTS OF RECOVERY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL CRIME AND FIDELITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
MACHINERY AND EQUIPMENT COVERAGE PART**

The **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US** Condition is replaced by the following:

### **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after loss to impair them.

**KENTUCKY TAXES ENDORSEMENT**Policy Number: EPP 053 36 25Effective Date: 05-01-2020

The following Kentucky taxes (which include a collection fee) have been applied to your policy:

	<u>Annual Premium</u>	<u>Municipal Tax</u>	<u>County Tax</u>
POLICY LEVEL	HIGHLAND HEIGHTS INCORPORATED - 00171		
PROPERTY	27	11.50%-3	NONE
CASUALTY	4	11.50%-1	NONE
LOCATION 55	HIGHLAND HEIGHTS INCORPORATED - 00171		
PROPERTY	1,235	11.50%-154	NONE
CASUALTY	192	11.50%-22	NONE
LOCATION 57	HIGHLAND HEIGHTS INCORPORATED - 00171		
PROPERTY	855	11.50%-114	NONE
CASUALTY	131	11.50%-15	NONE
LOCATION 65	SOMERSET INCORPORATED - 00028		
PROPERTY	949	6.90%-91	NONE
CASUALTY	168	6.90%-12	NONE
	<u>Annual Premium</u>	<u>Surcharge %</u>	<u>Surcharge Total</u>
KY STATE SURCHARGE 1.8%	4,167		75

All other terms and conditions remain unchanged.

Agent: ONI RISK PARTNERS, INC. 13-317

TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to Standard Property Policy **CP 00 99**, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.

**B.** The following is added to the **Legal Action Against Us** Condition:

The 2 year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

**C.** If this policy covers:

**1.** The following in **a.** and **b.**, then Paragraphs **2.** and **3.** apply:

- a.** Real property used principally for residential purposes up to and including a four family dwelling; or
- b.** Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

**2.** The second paragraph of the **Appraisal** Condition is deleted and replaced by the following:

- a.** Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b.** We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
  - (1)** You demanded the appraisal; and
  - (2)** The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

**3.** The **Concealment, Misrepresentation or Fraud** Condition is replaced by the following:

**CONCEALMENT, MISREPRESENTATION OR FRAUD**

**a.** This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1)** Was made with actual intent to deceive; or
- (2)** Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

**b.** We do not provide coverage under this Coverage Part or Coverage Form to you or any other insured ("insured") who, at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1)** This Coverage Part or Coverage Form;
- (2)** The Covered Property;
- (3)** Your interest in the Covered Property; or
- (4)** A claim under this Coverage Part or Coverage Form.

**c.** Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in

accordance with the terms of the Cancellation Condition.

**D.** For the Commercial Property Coverage Part and the Standard Property Policy, the following exclusion and related provisions are added to Paragraph **B.2**. Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
  - a. The loss arose out of a pattern of criminal domestic violence; and
  - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph **D.2.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no

event will we pay more than the Limit of Insurance.

**E.** The **Intentional Loss Exclusion** in the Causes of Loss Form - Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:

1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").

2. However, this exclusion will not apply to deny payment to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss") if:
  - a. The loss ("loss") arose out of a pattern of criminal domestic violence; and
  - b. The perpetrator of the loss ("loss") is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph **E.2.**, our payment to the "insured" is limited to that "insured's" insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
19	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

- As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
- The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- Any automatic fire protective or extinguishing system, including connected:
  - Sprinklers and discharge nozzles;
  - Ducts, pipes, valves and fittings;
  - Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

**b.** When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- Connected to a central station; or
- Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
34	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
55	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

- As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
- The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- Any automatic fire protective or extinguishing system, including connected:
  - Sprinklers and discharge nozzles;
  - Ducts, pipes, valves and fittings;
  - Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

**b.** When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- Connected to a central station; or
- Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
63	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
64	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

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- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

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- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

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**Failure to Maintain Protective Safeguards**

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- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
69	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
69	2	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
71	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

**Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
75	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.

2. The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a.** Any automatic fire protective or extinguishing system, including connected:
- (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

**b.** When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a.** Connected to a central station; or
- b.** Reporting to a public or private fire alarm station.

**"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the "premises" are not in actual operation.

**"P-4" Service Contract** with a privately owned fire department providing fire protection service to the "premises".

**"P-5" Automatic Commercial Cooking Exhaust and Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

**B.** The following is added to the **EXCLUSIONS** section of any Coverage Form within the Commercial Property, Farm or Commercial Inland Marine Coverage Part:

#### **Failure to Maintain Protective Safeguards**

We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

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Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**  
**COMMERCIAL PROPERTY COVERAGE PART**  
**FARM COVERAGE PART**

**SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Protective Safeguards Symbols Applicable</b>
76	1	P-1

**Describe any "P-9":****A.** The following is added to the:

**Commercial Property Conditions**  
**Farm Property Coverage Form, General**  
**Conditions**  
**Commercial Inland Marine Conditions**

**PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

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  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and

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b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

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Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## PROTECTIVE SAFEGUARDS

Policy Number EPP 053 36 25

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

### SCHEDULE

Loc. Number	Bldg. Number	Protective Safeguards Symbols Applicable
79	1	P-1

**Describe any "P-9":**

**A.** The following is added to the:

**Commercial Property Conditions  
Farm Property Coverage Form, General  
Conditions  
Commercial Inland Marine Conditions**

#### **PROTECTIVE SAFEGUARDS**

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the **SCHEDULE** of this endorsement.
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- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"** The protective system described in the **SCHEDULE** of this endorsement.

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We will not pay for "loss" caused by or resulting from fire, if prior to the fire, you:

- 1) Knew of any suspension or impairment in any protective safeguard listed in the **SCHEDULE** of this endorsement and failed to notify us of that fact; or
- 2) Failed to maintain in complete working order any protective safeguard listed in the **SCHEDULE** of this endorsement over which you had control.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

Date \_\_\_\_\_

Signature of Insured \_\_\_\_\_

ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDIANA CHANGES --  
CONCEALMENT, MISREPRESENTATION OR FRAUD**

This endorsement modifies insurance provided under the following:

**BOILER AND MACHINERY COVERAGE PART  
BUSINESSOWNERS POLICY  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**

The CONCEALMENT, MISREPRESENTATION OR FRAUD Condition is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact or
2. Fraud

committed by an insured at any time and relating to a claim under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL PROPERTY - LEGAL LIABILITY COVERAGE FORM  
COMMERCIAL PROPERTY - MORTGAGEHOLDERS ERRORS AND OMISSIONS  
COVERAGE FORM\*  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM LIABILITY COVERAGE FORM  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

- \* Under the **Mortgageholders Errors And Omissions Coverage Form**, the following condition applies only to Coverage **C** and Coverage **D**.

The following condition is added:

Notice given by or on behalf of the insured to any of our authorized agents in Indiana, with particulars sufficient to identify the insured, shall be considered to be notice to us.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS CHANGES - DUTIES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART**

The following is added to the **Duties** Condition.

We will notify the first Named Insured in writing of:

1. An initial offer to compromise or settle a claim made or "suit" brought against any insured under this coverage. The notice will be given not later than the 10th day after the date on which the offer is made.
2. Any settlement of a claim made or "suit" brought against the insured under this coverage. The notice will be given not later than the 30th day after the date of the settlement.

## PENNSYLVANIA NOTICE

An Insurance Company, its agents, employees, or service contractors acting on its behalf, may provide services to reduce the likelihood of injury, death or loss. These services may include any of the following or related services incident to the application for, issuance, renewal or continuation of, a policy of insurance:

1. Surveys;
2. Consultation or advice; or
3. Inspections.

The "Insurance Consultation Services Exemption Act" of Pennsylvania provides that the Insurance Company, its agents, employees or service contractors acting on its behalf, is not liable for damages from injury, death or loss occurring as a result of any act or omission by any person in the

furnishing of or the failure to furnish these services.

The Act does not apply:

1. If the injury, death or loss occurred during the actual performance of the services and was caused by the negligence of the Insurance Company, its agents, employees or service contractors;
2. To consultation services required to be performed under a written service contract not related to a policy of insurance; or
3. If any acts or omissions of the Insurance Company, its agents, employees or service contractors are judicially determined to constitute a crime, actual malice, or gross negligence.

### Instruction to Policy Writers

Attach the Pennsylvania Notice to all new and renewal certificates insuring risks located in Pennsylvania.



## **IMPORTANT INFORMATION TO POLICYHOLDERS**

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address or telephone collect:

The Cincinnati Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Casualty Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Indemnity Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2278

The Cincinnati Life Insurance Company  
P.O. Box 145496  
Cincinnati, Ohio 45250-5496  
Telephone (513) 870-2000

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - POLLUTION**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY

In this Coverage Part or Policy, any exclusion, limitation or other provision relating to pollutants ("pollutants"), or any amendment to or replacement of such exclusions, limitations or other provisions, applies whether or not the irritant or contaminant has any function in your business, operations, premises, site or location.

**THE CINCINNATI INSURANCE COMPANY**

A Stock Insurance Company

**COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**Attached to and forming part of POLICY NUMBER: **EPP 053 36 25**

Named Insured is the same as it appears on the Common Policy Declarations unless otherwise stated here.

Loc. (address)PER STATEMENT OF VALUES ON FILE  
REFER TO IA904

COVERAGE PROVIDED					OPTIONAL COVERAGES Applicable only when an entry is made						
Item	Coverage	Limits	Coin- surance	Covered Cause Of Loss	Business Income Indemnity						
					Inflation Guard (%)	Replace- ment Cost (x)	Replace- ment Cost Ind. Stock (x)	Agreed Value (x)	Monthly Limit (fraction)	Maximum Period (X)	Extended Period (Days)
	BLANKET BUILDING	76,721,077 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD		X		X			
	BLANKET BUSINESS PERSONAL PROPERTY	2,297,008 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD			X	X			
	BLANKET BUSINESS INCOME W/EXTRA EXPENSE (c)	15,292,767 SEE FA241 SEE FA104	100%	SPECIAL EQ FLOOD				X			180
1	EQUIPMENT BREAKDOWN										
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117 EQUIPMENT BREAKDOWN

DEDUCTIBLE: \$500.00 unless otherwise stated \$ SEE FA475  
 EARTHQUAKE DEDUCTIBLE: SEE FA241  
 FLOOD DEDUCTIBLE: 50,000

#### MORTGAGE HOLDER

Item	Name and Address
------	------------------

#### FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

CP1515	06/95	BUSINESS INCOME REPORT/WORK SHEET
FM101	05/16	BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)
CP1410	06/95	ADDITIONAL COVERED PROPERTY
FA104	05/16	FLOOD COVERAGE ENDORSEMENT
FA104S	05/15	FLOOD COVERAGE SUPPLEMENTAL SCHEDULE
FA480	02/16	LOSS PAYABLE PROVISIONS
FM903	01/99	COMMERCIAL PROPERTY MORTGAGE HOLDER SCHEDULE
FA104S	05/15	FLOOD COVERAGE SUPPLEMENTAL SCHEDULE
FA104	05/16	FLOOD COVERAGE ENDORSEMENT
FA241	05/16	EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)
FA241S	05/15	EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUBLIMIT FORM) SUPPLEMENTAL SCHEDULE
FA4028IL	07/17	ILLINOIS CHANGES
FA4053	04/06	CINCIPLUS™ COMMERCIAL PROPERTY EXPANDED COVERAGE (XC™) PLUS ENDORSEMENT SUMMARY OF COVERAGE LIMITS
FA4078OH	05/17	OHIO CHANGES - COMMERCIAL PROPERTY
FA445AZ	05/16	ARIZONA CHANGES
FA450	05/16	COMMERCIAL PROPERTY CONDITIONS
FA474	05/16	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE
FA475	04/04	MULTIPLE DEDUCTIBLE FORM
FA480	02/16	LOSS PAYABLE PROVISIONS
FA490NC	05/16	NORTH CAROLINA CHANGES
FA498KS	10/12	KANSAS CHANGES
FA499IN	04/04	INDIANA CHANGES - RIGHTS OF RECOVERY
FA250	05/16	CINCIPLUS® COMMERCIAL PROPERTY XC+® (EXPANDED COVERAGE PLUS) ENDORSEMENT
FA245	04/20	EQUIPMENT BREAKDOWN COVERAGE

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FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

**FA213 05/16 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**

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# BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)

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# BUILDING AND PERSONAL PROPERTY COVERAGE FORM

## (INCLUDING SPECIAL CAUSES OF LOSS)

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION G. DEFINITIONS.**

### SECTION A. COVERAGE

We will pay for direct "loss" to Covered Property at the "premises" caused by or resulting from any Covered Cause of Loss.

#### 1. Covered Property

Covered Property, as used in this Coverage Part, means the following types of property for which a Limit of Insurance is shown in the Declarations:

##### a. Building

Building, means the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
  - (a) Machinery and equipment;
  - (b) Building glass, including any lettering and ornamentation;
  - (c) Signs attached to a building or structure that is Covered Property;
  - (d) Awnings and canopies;
- (4) Personal property owned by you that is used to maintain or service a covered building or its "premises", including:
  - (a) Fire extinguishing equipment;
  - (b) Outdoor furniture;
  - (c) Floor coverings; and
  - (d) Appliances used for refrigerating, ventilating, cooking, dish-washing or laundering;
- (5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to a covered building;

(b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the "premises", used for making additions, alterations or repairs to a covered building.

#### b. Outdoor Signs

Your outdoor signs permanently installed and not attached to a covered building, and located within 1,000 feet of the "premises".

#### c. Outdoor Fences

Your outdoor fences.

#### d. Business Personal Property

Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater. Your Business Personal Property consists of the following unless otherwise specified in the Declarations or on the **BUSINESS PERSONAL PROPERTY - SEPARATION OF COVERAGE ENDORSEMENT.**

- (1) Furniture;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) The cost of labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) Made a part of the building or structure you occupy but do not own; and
  - (b) You acquired or made at your expense but cannot legally remove;

(7) Leased personal property used in your business for which you have a contractual responsibility to insure. Such leased property is not considered personal property of others in your care, custody or control;

(8) Personal Property of Others that is in your care, custody or control or for which you are legally liable.

(a) This does not include personal effects owned by you, your officers, your partners, or if you are a limited liability company, your members or your managers, or your employees (including leased and temporary workers), except as provided in **5. Coverage Extensions, I. Personal Effects**;

(b) This does not include property of others for which you are legally liable as:

- 1) A carrier for hire; or
- 2) An arranger of transportation, including car loaders, consolidators, brokers, freight forwarders, or shipping associations; and

(9) Sales samples.

## 2. **Property Not Covered**

Covered Property does not include:

### a. **Accounts, Deeds, Money or Securities**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, Accounts, bills, currency, deeds, food stamps or other evidences of debt, "money", notes or "securities";

### b. **Animals**

Animals, unless

- (1) Owned by others and boarded by you; or
- (2) Owned by you and covered as "stock" while inside of buildings;

and then only as provided in **3. Covered Causes of Loss, c. Limitations**.

### c. **Automobiles**

Automobiles held for sale;

### d. **Contraband**

Contraband, or property in the course of illegal transportation or trade;

### e. **Electronic Data**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, "Electronic data". This Paragraph **e.** does not apply to your "stock" of prepackaged software or to "electronic data" which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

### f. **Excavations, Grading & Backfilling**

The cost of excavations, grading, backfilling or filling;

### g. **Foundations**

Foundations of buildings, structures, machinery or boilers, if their foundations are below:

- (1) The lowest basement floor; or
- (2) The surface of the ground, if there is no basement.

### h. **Land, Water or Growing Crops**

Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetative roof);

### i. **Paved Surfaces**

Bridges, roadways, walks, patios or other paved surfaces;

### j. **Property While Airborne or Waterborne**

Personal property while airborne or waterborne;

### k. **Pilings or Piers**

Pilings, piers, bulkheads, wharves or docks;

### l. **Property More Specifically Insured**

Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except as provided in **G. Other Insurance** of the **COMMERCIAL PROPERTY CONDITIONS**;

### m. **Retaining Walls**

Retaining walls that are not part of any building described in the Declarations;

### n. **Underground Pipes, Flues or Drains**

Underground pipes, flues or drains;

**o. Valuable Papers & Records and Cost to Research**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the cost to research, replace or restore the information on "valuable papers and records", including those which exist as "electronic data".

This does not apply to "valuable papers and records" held for sale by you.

**p. Vehicles or Self-Propelled Machines**

Vehicles or self-propelled machines (including aircraft or watercraft) that:

- (1) Are licensed for use on public roads; or
- (2) Are operated principally away from the "premises".

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (2) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (3) Rowboats or canoes out of water and located at the "premises"; or
- (4) Trailers, but only as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, o. Trailers (Nonowned Detached)**.

**q. Property While Outside of Buildings**

The following property while outside of buildings (except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**):

- (1) Grain, hay, straw or other crops;
- (2) Signs, except:
  - (a) Signs attached to a covered building or structure;
  - (b) Signs for which a Limit of Insurance is shown in the Declarations.
- (3) Outdoor fences, except outdoor fences for which a Limit of Insurance is shown in the Declarations;
- (4) Radio antennas, television antennas or satellite dishes; including their lead-in wiring, masts, and towers; and

- (5) Trees, shrubs or plants (other than trees, shrubs or plants that are "stock" or part of a vegetative roof).

**3. Covered Causes of Loss**

**a. Covered Causes of Loss**

Covered Causes of Loss means direct "loss" unless the "loss" is excluded or limited in this Coverage Part.

**b. Exclusions**

- (1) We will not pay for "loss" caused directly or indirectly by any of the following, unless otherwise provided. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**(a) Ordinance or Law**

Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the enforcement of or compliance with any ordinance or law:

- 1) Regulating the construction, use or repair of any building or structure; or
- 2) Requiring the tearing down of any building or structure, including the cost of removing its debris.

This exclusion applies whether "loss" results from:

- 1) An ordinance or law that is enforced even if the building or structure has not been damaged; or
- 2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of any building or structure, or removal of its debris, following a direct "loss" to that building or structure.

**(b) Earth Movement**

- 1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- 2) Landslide, including any earth sinking, rising or shifting related to such event;

- 3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- 4) Earth sinking (other than "sinkhole collapse"), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **(b)1)** through **4)** above, results in fire or explosion, we will pay for the "loss" caused by that fire or explosion.

- 5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or volcanic action, we will pay for the "loss" caused by that fire, building glass breakage or volcanic action.

Volcanic action means direct "loss" resulting from the eruption of a volcano when the "loss" is caused by:

- a) Airborne volcanic blast or airborne shock waves;
- b) Ash, dust or particulate matter; or
- c) Lava flow.

With respect to coverage for Volcanic Action, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct "loss" to the described property.

This Earth Movement exclusion applies regardless of whether any of the above, in paragraphs **1)** through **5)**, is caused by an

act of nature or is otherwise caused.

### **(c) Governmental Action**

Seizure or destruction of property by order of governmental authority. However, we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

### **(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

### **(e) Utility Services**

- 1) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, q. Utility Services**, the failure of power, communication, water or other utility services supplied to the "premises", however caused, if the failure:

- a) Originates away from the "premises"; or
- b) Originates at the "premises", but only if such failure involves equipment used to supply the utility service to the "premises" from a source away from the "premises".

Failure of any utility service includes lack of sufficient capacity and reduction in supply. "Loss" caused by a surge of power is also excluded if the surge would not have occurred but for an event causing the failure of power.

However, if the failure or surge of power, or the failure of communication, water, wastewater removal or other utility service results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss.

Communication services include but are not limited to



service relating to Internet access or access to any electronic, cellular or satellite network.

**(f) War and Military Action**

- 1) War, including undeclared or civil war;
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**(g) Water**

- 1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - b) Waves, tidal waters, tidal waves (including tsunami); or
  - c) Water from rivers, ponds, lakes, streams, or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary;

and all whether driven by wind or not, including storm surge.
- 2) Mudslides or mudflows, which are caused by flooding as defined above in Paragraph (g)1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current;

- 3) Water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; or
- 4) Water under the ground surface pressing on, or flowing or seeping through:
  - a) Foundations, walls, floors or paved surfaces;
  - b) Basements, whether paved or not; or
  - c) Doors, windows or other openings.
- 5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (g)1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

This exclusion applies regardless of whether any of the above in Paragraphs (g)1) through (g)5) is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

However, if any of the above, as described in Paragraphs (g)1) through (g)5), results in fire, explosion or sprinkler leakage, we will pay for that portion of "loss" caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

**(h) "Fungi", Wet Rot, Dry Rot, and Bacteria**

- 1) Presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria. But if "fungi", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

2) This exclusion does not apply:

- a) When "fungi", wet or dry rot or bacteria results from fire or lightning; or
- b) To the extent that coverage is provided in **SECTION A. COVERAGE, 5. Coverage Extensions, g. "Fungi", Wet Rot, Dry Rot and Bacteria - Limited Coverage** with respect to "loss" from a cause of loss other than fire or lightning.

Exclusions **b.(1)(a)** through **b.(1)(h)** apply whether or not the "loss" event results in widespread damage or affects a substantial area.

(2) We will not pay for "loss" caused by or resulting from any of the following:

**(a) Electrical Current**

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- 1) Electrical or electronic wire, device, appliance, system or network; or
- 2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- 1) Electrical current, including arcing;
- 2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- 3) Pulse of electromagnetic energy; or
- 4) Electromagnetic waves or microwaves.

However, if fire results, we will pay for "loss" caused by that fire.

**(b) Delay or Loss of Use**

Delay, loss of use or loss of market.

**(c) Smoke, Vapor, Gas**

Smoke, vapor or gas from agricultural smudging or industrial operations.

**(d) Miscellaneous Causes of Loss**

- 1) Wear and tear;
- 2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- 3) Smog;
- 4) Settling, cracking, shrinking or expansion;
- 5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- 6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in elevator collision, we will pay for that portion of "loss" caused by that elevator collision; or
- 7) The following causes of loss to personal property:
  - a) Marring or scratching;
  - b) Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, a. Change in Temperature or Humidity** and **5. Coverage Extensions, q. Utility Services**;
    - i) Dampness or dryness of atmosphere; and
    - ii) Changes in or extremes of temperature.

However, if an excluded cause of loss listed in **(2)(d)1)** through **7)** results in a "specified cause of "loss" or building glass breakage, we will pay for that portion of "loss" caused by that "specified cause of loss" or building glass breakage.

**(e) Explosion of Steam Apparatus**

Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for that portion of "loss" caused by that fire or combustion explosion. We will also pay for "loss" caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**(f) Water Seepage**

Continuous or repeated seepage or leakage of water or the presence or condensation of humidity, moisture, or vapor that occurs over a period of 14 days or more.

**(g) Freezing of Plumbing**

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protection systems) caused by or resulting from freezing, unless:

- 1) You did your best to maintain heat in the building or structure; or
- 2) You drained the equipment and shut off the supply if the heat was not maintained.

**(h) Dishonest or Criminal Acts**

Dishonest or criminal acts (including theft) by you, any of your partners, members (if a limited liability company), officers, managers, employees (including leased workers or temporary employees) directors, trustees, or authorized representatives; whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during the hours of operation.

This **Dishonest or Criminal Acts** exclusion does not apply to acts of destruction by your employees (including leased workers or temporary employees) or by authorized representatives; except theft by employees (including leased workers or temporary employees) is not covered.

**(i) Voluntary Parting Under False Pretense**

Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

**(j) Exposure to Weather**

Rain, snow, ice or sleet to personal property in the open.

**(k) Collapse**

Collapse, including any of the following conditions of property or any part of the property:

- 1) An abrupt falling down or caving in;
- 2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- 3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to Paragraph **(k)1)** or **2)** above.

But if collapse results in a Covered Cause of Loss at the "premises", we will pay for "loss" caused by that Covered Cause of Loss.

This exclusion **Collapse** does not apply:

- 1) To the extent that coverage is provided under the **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse**; or
- 2) To collapse caused by one or more of the following:

- a) The "specified causes of loss";
- b) Breakage of building glass;
- c) Weight of rain that collects on a roof; or
- d) Weight of people or personal property.

**(l) Pollutants**

Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

This exclusion does not apply to "loss" to glass caused by chemicals applied to the glass.

**m) Loss or Damage to Product**

We will not pay for "loss" to Covered Property consisting of merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for "loss" caused by that Covered Cause of Loss.

**(n) Neglect**

Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of "loss".

- (3)** We will not pay for "loss" caused by or resulting from any of the following in Paragraphs **(3)(a)** through **(3)(c)**. However, if an excluded cause of loss that is listed in Paragraphs **(3)(a)** through **(3)(c)** results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss:

**(a) Weather Conditions**

Weather conditions, but this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a)** through **(1)(h)** to produce the "loss".

**(b) Acts or Decisions**

Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

**(c) Defects, Errors, and Omissions**

- 1)** An act, error, or omission (negligent or not) relating to:

- a) Land use;
- b) Design, specifications, construction, workmanship;
- c) Planning, zoning, development, surveying, siting, grading, compaction; or
- d) Maintenance, installation, renovation, repair, or remodeling

of part or all of any property on or off the "premises";

- 2)** A defect, weakness, inadequacy, fault, or unsoundness in materials used in construction or repair of part or all of any property on or off the "premises"; or
- 3)** The cost to make good any error in design.



**(4) Special Exclusions**

The Special Exclusions apply only to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**; and if attached to this policy, the following coverage forms: **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, and EXTRA EXPENSE COVERAGE FORM.**

We will not pay for:

- (a)** Any "loss" caused by or resulting from:

- 1) Damage or destruction of "finished stock"; or
- 2) The time required to reproduce "finished stock".

This Exclusion **(4)(a)** does not apply to Extra Expense.

- (b)** Any "loss" caused by or resulting from damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

- (c)** Any increase of "loss" caused by or resulting from:

- 1) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
- 2) Suspension, lapse or cancellation of any license, lease or contract. However, if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such "loss" that affects your "Business Income" during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period of Indemnity Optional Coverage or any variation of these.

- (d)** Any Extra Expense caused by or resulting from suspension, lapse

or cancellation of any license, lease or contract beyond the "period of restoration".

- (e)** Any other indirect "loss".

**c. Limitations**

The following limitations apply to all policy forms and endorsements shown on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**, unless otherwise stated:

**(1) Limitations - Various Types of Property**

We will not pay for "loss" to property as described and limited in this section. In addition, we will not pay for any "loss" that is a consequence of "loss" as described and limited in this section.

**(a) Steam Apparatus**

Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for "loss" to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

**(b) Hot Water Boilers**

Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

**(c) Building Interiors**

The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

- 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
- 2) The "loss" is caused by or results from thawing of

snow, sleet or ice on the building or structure.

**(d) Theft of Building Materials**

Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- 1) Building materials and supplies held for sale by you; or
- 2) "Business Income" coverage or Extra Expense coverage.

**(e) Missing Property**

Property that is missing, where the only evidence of the "loss" is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

**(f) Transferred Property**

Property that has been transferred to a person or to a place outside the "premises" on the basis of unauthorized instructions.

**(g) Vegetative Roofs**

Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

- 1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
- 2) Changes in or extremes of temperature;
- 3) Disease;
- 4) Frost or hail; or
- 5) Rain, snow, ice or sleet.

**(2) Limitations - Various Property for Specified Causes**

We will not pay for "loss" to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

- (a)** Animals, and then only if they are killed or their destruction is deemed necessary.

- (b)** Contractors equipment, machinery and tools owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

- 1) If the property is located on or within 1,000 feet of the "premises"; or
- 2) To Business Income coverage or to Extra Expense coverage.

**(3) Limitation - Personal Property Theft**

This Limitation does not apply to "Business Income" coverage or to Extra Expense coverage. For each category described in Paragraph **c.(3)(a)** through **(3)(d)** below, the most we will pay for "loss" in any one occurrence of theft to all property in that category, regardless of the types or number of articles for that category that are lost or damaged in that occurrence, are the following special limits:

- (a)** \$2,500 for Furs, fur garments and garments trimmed with fur.
- (b)** \$2,500 for Jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limitation does not apply to jewelry and watches worth \$100 or less per item.
- (c)** \$2,500 for Patterns, dies, molds and forms.
- (d)** \$250 for Stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are not additional Limits of Insurance.

**(4) Limitation - System or Appliance Defects**

- (a)** We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes; and
- (b)** We will not pay to replace the substance that escapes as described in Paragraph **c.(4)(a)** above.

But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage results in discharge of any substance from an automatic fire protection system, or is directly caused by freezing.

However, this Limitation **c.(4)(a)** does not apply to "Business Income" Coverage or to Extra Expense Coverage.

#### 4. **Additional Coverages**

Unless stated otherwise, **SECTION C. DEDUCTIBLE** does not apply to Paragraph 4. **Additional Coverages**.

Unless stated otherwise, these Paragraph 4. **Additional Coverages** apply on a per location basis.

##### **a. Change in Temperature or Humidity**

We will pay for direct "loss" to your covered Business Personal Property caused by a change in temperature or humidity or contamination by refrigerant resulting from damage by a Covered Cause of Loss to equipment used for refrigerating, cooling, humidifying, dehumidifying, air conditioning, heating, generating or converting power (including their connections and supply or transmission lines and pipes) when located on the "premises".

This Coverage is included within the Limits of Insurance shown in the Declarations.

##### **b. Debris Removal**

(1) Subject to Paragraphs **b.(2), (3)** and **(4)** of this Additional Coverage, we will pay your expense to remove debris of Covered Property and other debris that is on the "premises", when such debris is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct "loss".

(2) Debris Removal does not apply to costs to:

- (a) Extract "pollutants" from land or water;
- (b) Remove, restore or replace polluted land or water;
- (c) Remove debris of property of yours that is not insured under this Coverage Part, or property in your possession that is not Covered Property;

(d) Remove debris of property owned by or leased to the landlord of the building where your "premises" are located, unless you have a contractual responsibility to insure such property and it is insured under this Coverage Part;

(e) Remove any property that is Property Not Covered, including property addressed under **5. Coverage Extensions, k. Outdoor Property**.

(f) Remove property of others of a type that would not be Covered Property under this Coverage Part;

(g) Remove deposits of mud or earth from the grounds of the "premises".

(3) Subject to the exceptions in Paragraph **b.(4)** below, the following provisions apply:

(a) The most we will pay for the total of direct "loss" plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained "loss".

(b) Subject to Paragraph **b.(3)(a)**, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained "loss".

(4) We will pay up to an additional \$10,000 for debris removal expense for each "premises", in any one occurrence of direct "loss" to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct "loss" exceeds the Limit of Insurance on the Covered Property that has sustained "loss".

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained "loss".

Therefore, if Paragraph **b.(4)(a)** and/or **(4)(b)** apply, our total payment for direct

"loss" and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained "loss", plus \$10,000.

### (5) Examples

The following examples assume that there is no coinsurance penalty.

#### Example #1

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$50,000
Amount of "Loss" Payable (\$50,000 - \$500)	\$49,500
Debris Removal Expense	\$10,000
Debris Removal Expense Payable (\$10,000 is 20% of \$50,000)	\$10,000

The debris removal expense is less than 25% of the sum of the "loss" payable plus the deductible. The sum of the "loss" payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

#### Example #2

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$80,000
Amount of "Loss" Payable (\$80,000 - \$500)	\$79,500
Debris Removal Expense	\$30,000
Debris Removal Expense Payable	
Basic Amount	\$10,500
Additional Amount	\$10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows:  $\$80,000 (\$79,500 + \$500) \times .25 = \$20,000$ ; capped at \$10,500. The cap applies because the sum of the "loss" payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the "loss" payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the "loss" payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal ex-

pense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

### c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 in any one occurrence for your liability, which is determined prior to the direct "loss", for fire department service charges:

- (1) Assumed by contract or agreement; or
- (2) Required by local ordinance.

Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

### d. Fire Protection Equipment Recharge

- (1) We will pay for the expenses you incur to recharge your automatic fire suppression system or portable fire extinguishers when the equipment is discharged:
  - (a) To combat a covered fire to which this insurance applies;
  - (b) As a result of another covered Cause of Loss other than fire; or
  - (c) As a result of an accidental discharge.
- (2) We will not pay your expenses to recharge fire protection equipment as a result of a discharge during testing or installation.
- (3) If it is less expensive to do so, we will pay your costs to replace your automatic fire suppression system or portable fire extinguishers rather than recharge that equipment.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

### e. Inventory or Appraisal

- (1) We will pay the necessary expenses you incur to prepare claim information as required by this Coverage Part. Expenses must result from:
  - (a) Taking inventories;
  - (b) Making appraisals; and



- (c) Preparing a statement of loss and other supporting exhibits.

(2) We will not pay for any expenses:

- (a) Incurred to prove that "loss" is covered;
- (b) Incurred under **SECTION D. LOSS CONDITIONS, 2. Appraisal**;
- (c) Incurred for examinations under oath;
- (d) Billed by and payable to independent or public adjusters; or
- (e) To prepare claims not covered by this Coverage Part.

The most we will pay for any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the shown in the Declarations.

**f. Key and Lock Expense**

- (1) If a key or master key is lost, stolen, or damaged, we will pay for:
  - (a) The actual expense of the new keys; and
  - (b) The adjustment of locks to accept new keys; or
  - (c) If required, new locks, including the expense of their installation;
 but only for locks at buildings or structures covered by this Coverage Part.
- (2) This Coverage does not apply to keys that were given to former employees.

The most we will pay in any one occurrence under this Additional Coverage is Limit of Insurance \$1,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

**g. Ordinance or Law**

- (1) If a covered building or structure sustains direct "loss" from a Covered Cause of Loss, resulting in the enforcement of or compliance with an ordinance or law that is in force at the time of "loss" and regulates the demolition, construction or repair of buildings or structures, or establishes zoning or land use requirements at the "premises", then subject to **SECTION D, LOSS CONDITIONS, 4. Loss Payment**, we will pay:

**(a) Loss of Use of Undamaged Parts of Buildings**

The costs you incur to rebuild at the same "premises" any undamaged portion of your building or structure caused by enforcement of or compliance with an ordinance or law requiring demolition of undamaged parts of the same building or structure. We will only pay the costs to satisfy the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

**(b) Demolition Costs**

The costs you incur to demolish and clear the site of undamaged parts of the same building or structure as a result of Paragraph **g.(1)(a)** above.

**(c) Increased Costs of Construction**

- 1) For buildings or structures to which **SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies, the increased costs to comply with the minimum standards of an ordinance or law to:
  - a) Repair or reconstruct damaged portions of that building or structure; and
  - b) Reconstruct or remodel undamaged portions of that building or structure whether or not demolition is required;

However, this increased cost of construction applies only if the building or structure is repaired, reconstructed or remodeled and is intended for occupancy similar to the building or structure it replaces, unless such occupancy is not permitted by zoning or land use ordinance or law.

- 2) For this Paragraph **g.(1)(c)** only, the increased costs to repair or reconstruct the following:

- a) The cost of excavations, grading, backfilling and filling;
- b) Foundation of the building;
- c) Pilings;
- d) Underground pipes, flues and drains.

The items listed in Paragraphs **g.2a)** through **g.2d)** above are deleted from **SECTION A. COVERAGE, 2. Property Not Covered;**

(2) We will not pay for:

- (a) Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria; or
- (b) The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.

(3) We will not pay for "loss" due to any ordinance or law that:

- (a) You were required to comply with before the "loss", even if the building or structure was undamaged; and
- (b) With which you failed to comply.

(4) The terms of this Additional Coverage apply separately to each building or structure covered by this Coverage Part.

The most we will pay under this Additional Coverage is \$10,000 per building. This is in addition to the Limit of Insurance shown in the Declarations for the building suffering "loss".

#### **h. Pollutant Clean Up and Removal**

We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage,

migration, release, escape or emission of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each "premises" is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term". This Coverage is in addition to the Limit of Insurance shown in the Declarations.

#### **i. Preservation of Property**

If it is necessary to move Covered Property from the "premises" to preserve it from imminent "loss" by a Covered Cause of Loss, we will pay for any direct "loss" to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the "loss" occurs within 60 days after the property is first moved.

This Coverage is included within Limit of Insurance shown in the Declarations for such Covered Property.

#### **j. Rewards**

We will pay to provide a reward for information that leads to a conviction for arson, theft, vandalism, or burglary. The conviction must involve a covered "loss" caused by arson, theft, vandalism, or burglary.

The most we will pay for "loss" in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

### **5. Coverage Extensions**

Unless amended within a particular Coverage Extension, each Extension applies to property located in or on the building described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the "premises".

The limits applicable to the Coverage Extensions are in addition to the Limit of Insurance shown in the Property Declarations. Limits of Insurance specified in these Extensions apply per location unless stated otherwise.

**SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**, does not apply to these Coverage Extensions.

**a. Accounts Receivable**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

(1) When you sustain direct "loss" to your accounts receivable records caused by a Covered Cause of Loss, we will pay:

- (a) All amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (c) Collection expenses in excess of your normal collection expenses that are made necessary by the "loss"; and
- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

(2) Coverage does not apply to:

- (a) Records of accounts receivable in storage away from the "premises"; or
- (b) Contraband, or property in the course of illegal transportation or trade.

(3) We will extend coverage to include:

**(a) Removal**

If you give us written notice within 30 days of removal of your records of accounts receivable because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limit of Insurance applicable to this Coverage Extension.

**(b) Away From Your Premises**

The most we will pay in any one occurrence is \$5,000, regardless of the number of locations, for "loss" caused by a Covered Cause of Loss to Accounts Receivable while they are away from your "premises".

This Away From Premises Limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

(4) **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (a) **Exclusion (1)(c) Governmental Action;**
- (b) **Exclusion (1)(d) Nuclear Hazard;**
- (c) **Exclusion (1)(f) War and Military Action.**

(5) In addition to Paragraph **a.(4)** of this Coverage Extension, we will not pay for "loss" resulting from any of the following:

**(a) Dishonest or criminal acts by:**

- 1) You, your partners, employees, directors, trustees or authorized representatives;
- 2) A manager or a member if you are a limited liability company;
- 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
- 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **a.(5)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **a.(5)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

- (b) Alteration, falsification, concealment or destruction of records of

accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- (c) Bookkeeping, accounting or billing errors or omissions.
- (d) Electrical or magnetic injury, disturbance or erasure of "electronic data" that is caused by or results from:
  - 1) Programming errors or faulty machine instructions;
  - 2) Faulty installation or maintenance of data processing equipment or component parts;
  - 3) An occurrence that took place more than 100 feet from your "premises"; or
  - 4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

But we will pay for direct "loss" caused by lightning.

- (e) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- (f) A "loss" that requires any audit of records or any inventory computation to prove its factual existence.

**(6) Determination of Receivables:**

- (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of direct "loss", the following method will be used:
  - 1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the direct "loss" occurs; and
  - 2) Adjust that total for any normal fluctuations in the amount of accounts receiv-

able for the month in which the direct "loss" occurred or for any demonstrated variance from the average for that month.

- (b) The following will be deducted from the total amount of accounts receivable, however that amount is established:
  - 1) The amount of the accounts for which there is no direct "loss"; and
  - 2) The amount of the accounts that you are able to re-establish or collect; and
  - 3) An amount to allow for probable bad debts that you are normally unable to collect; and
  - 4) All unearned interest and service charges.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

**b. Business Income and Extra Expense**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

**(1) Business Income**

We will pay for the actual loss of "Business Income" and "Rental Value" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at a "premises" caused by or resulting from any Covered Cause of Loss. With respect to "loss" to personal property in the open or personal property in a vehicle or portable storage unit, the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

With respect to the requirements of the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purpose of this Coverage Extension only, your "premises" is the portion of the building that you rent, lease or occupy, including:

- (a) Any area within the building or on the site at which the "premises" are located if that area ser-



vices or is used to gain access to the "premises"; and

- (b) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

## (2) Extra Expense

- (a) We will pay Extra Expense you sustain during the "period of restoration". Extra Expense means necessary expenses you sustain (as described in Paragraphs **(2)(b)**, **(c)** and **(d)**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- (b) If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **(2)(c)**) to:
  - 1) Avoid or minimize the "suspension" of business and to continue "operations" either:
    - a) At the "premises"; or
    - b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
  - 2) Minimize the "suspension" of business if you cannot continue "operations".
- (c) We will also pay expenses to:
  - 1) Repair or replace property; or
  - 2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal

"operations", the amount we will pay under this Coverage will be reduced by the salvage value of that property.

- (d) Extra Expense does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

## (3) Civil Authority

When a Covered Cause of Loss causes damage to property other than Covered Property at a "premises", we will pay for the actual loss of "Business Income" and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

This Civil Authority coverage for "Business Income" will begin immediately after the time of that action and will apply for a period of up to 30 days from the date of that action.

This Civil Authority coverage for Extra Expense will begin immediately after the time of that action and will end:

- 1) 30 consecutive days after the time of that action; or
- 2) When your "Business Income" coverage ends;

whichever is later.

## (4) Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss to:

- (a) New buildings or structures, whether complete or under construction;
- (b) Alterations or additions to existing buildings or structures; and
- (c) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
  - 1) Used in the construction, alterations or additions; or
  - 2) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" Coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

#### **(5) Newly Purchased or Leased Locations**

We will pay the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" to Covered Property at any location you purchase or lease caused by or resulting from a Covered Cause of Loss. This coverage for the Newly Purchased or Leased Locations will end when any of the following first occurs:

- (a) This policy expires;
- (b) You report values to us;
- (c) 90 days pass from the date you acquire or begin to construct the Covered Property.

#### **(6) Extended Business Income**

- (a) For "Business Income" Other Than "Rental Value", if the necessary "suspension" of your "operations" produces a "Business Income" or Extra Expense "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur during the period that:
  - 1) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
  - 2) Ends on the earlier of:

- a) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(a)1)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained or Extra Expense incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

- (b) For "Rental Value", if the necessary "suspension" of your "operations" produces a "Rental Value" "loss" payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you incur during the period that:

- 1) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- 2) Ends on the earlier of:

- a) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(b)1)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of

Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

**(7) Interruption of Computer Operations**

- (a) Subject to all provisions of this Coverage Extension, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data.**
- (b) Paragraph **b.(7)(a)** does not apply to "loss" sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **b.(7)(c)** has not been exhausted.
- (c) The most we will pay under Paragraph **b.(7)** of this Coverage Extension is \$2,500 for all "loss" sustained and expense incurred in the "coverage term", regardless of the number of interruptions or the number of "premises" or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not carry over to the next "coverage term". With respect to an interruption that begins in a "coverage term" and continues or results in additional "loss" or expense in a subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

This \$2,500 coverage for Interruption of Computer Operations does not increase the Limit of Insurance provided in this Coverage Extension.

The most we will pay for "loss" in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$25,000.

**c. Collapse**

The coverage provided under this Coverage Extension applies only to an abrupt collapse as described and limited in Paragraphs **c.(1)** through **c.(7)** below.

- (1) For the purpose of this Coverage Extension only, abrupt collapse means an abrupt falling down or caving in of a building or structure or any part of a building or structure with the result that the building or structure or part of the building or structure cannot be occupied for its intended purpose.
- (2) We will pay for direct "loss" to Covered Property, caused by abrupt collapse of a building or structure or any part of a building or structure insured under this Coverage Part, or that contains Covered property insured under this Coverage Part, if such collapse is caused by one or more of the following:
  - (a) Building or structure decay that is hidden from view, unless the presence of such decay is known or should reasonably have been known to an insured prior to collapse;
  - (b) Insect or vermin damage that is hidden from view, unless the presence of such damage is known or should reasonably have been known to an insured prior to collapse;
  - (c) Use of defective material or methods in construction, remodeling, or renovation if the abrupt collapse occurs during the course of the construction, remodeling, or renovation.
  - (d) Use of defective materials or methods in construction, remodeling, or renovation if the abrupt collapse occurs after construction, remodeling, or renovation is complete but only if the collapse is caused in part by:
    - 1) A cause of loss listed in Paragraph **c.(2)(a)** or **c.(2)(b)** of this Coverage Extension;
    - 2) One or more of the "specified causes of loss";

- 3) Breakage of building glass;
  - 4) Weight of people or personal property; or
  - 5) Weight of rain that collects on a roof.
- (3) This Coverage Extension does not apply to:
- (a) A building or structure or any part of a building or structure that is in danger of falling down or caving in;
  - (b) A part of a building or structure that is standing, even if it has separated from another part of the building or structure; or
  - (c) A building or structure that is standing or any part of a building or structure that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (4) With respect to the following property:
- (a) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
  - (b) Awnings, gutters and downspouts;
  - (c) Yard fixtures;
  - (d) Outdoor swimming pools;
  - (e) Fences;
  - (f) Piers, wharves and docks;
  - (g) Beach or diving platforms; including their appurtenances;
  - (h) Retaining walls; and
  - (i) Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in Paragraph **c.(2)(a)** through **c.(2)(d)**, we will pay for "loss" to that property only if:
- (a) Such "loss" is a direct result of the abrupt collapse of a building or structure insured under this Coverage Part; and
  - (b) The property is Covered Property under this Coverage Part.
- (5) If personal property abruptly falls down or caves in and such collapse

is **not** the result of abrupt collapse of a building or structure, we will pay for direct "loss" to Covered Property caused by such collapse of personal property only if:

- (a) The collapse of personal property was caused by a Cause of Loss listed in **c.(2)(a)** through **c.(2)(d)** of this Coverage Extension;
- (b) The personal property that collapses is inside a building; and
- (c) The property that collapses is not of a kind listed in Paragraph **c.(4)** above of this Coverage Extension, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **c.(5)** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- (6) This Coverage Extension does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (7) This Coverage Extension shall not increase the Limit of Insurance provided in this Coverage Part.
- (8) The term Covered Cause of Loss includes Collapse as described and limited in Paragraphs **c.(1)** through **c.(7)**.

#### **d. Electronic Data**

- (1) This Coverage Extension does not apply to your "stock" of prepackaged software, or to "electronic data" which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2) We will pay for the cost to replace or restore "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss that applies to **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**. To the extent that "electronic data" is not replaced or restored, the "loss" will be valued at the cost of replacement of the me-



dia on which the "electronic data" was stored with blank media of substantially identical type.

- (3) For the purposes of this Coverage Extension only, Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, that is designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for "loss" caused by or resulting from manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system or "electronic data".
- (4) The most we will pay for all direct "loss" under this Coverage Extension, regardless of the number of "premises" or computer systems involved, is \$2,500. This limit is the most we will pay for the total of all direct "loss" arising out of all occurrences that take place in the "coverage term". If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent "loss" sustained in the "coverage term". A balance remaining in a "coverage term" does not carry over to the next "coverage term". With respect to an occurrence which begins in the "coverage term" and continues or results in additional "loss" in a subsequent "coverage term", all "loss" is deemed to be sustained in the "coverage term" in which the occurrence began.

**e. Exhibitions, Fairs or Trade Shows**

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered property of others, while it is located at exhibitions, fairs or trade shows. This Coverage Extension does not apply while Covered Property is in transit to or from the exhibition, fair or trade show.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided under this Coverage Extension does not apply per location.

**f. Fences**

We will pay for direct "loss" caused by a Covered Cause of Loss to your outdoor fences that are located within 1,000 feet of the "premises" and not otherwise insured as Covered Property in this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

**g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage**

- (1) The coverage described in Paragraphs **g.(2)** and **g.(3)** of this Coverage Extension only apply when the "fungi", wet or dry rot or bacteria is the result of a Covered Cause of Loss that occurs during the "coverage term" and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
- (2) We will pay for "loss" by "fungi", wet or dry rot or bacteria. As used in this Coverage Extension, the term "loss" means:
- (a) Direct "loss" to Covered Property caused by "fungi", wet or dry rot or bacteria, including the cost of removal of the "fungi", wet or dry rot or bacteria;
  - (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet or dry rot or bacteria; and
  - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", wet or dry rot or bacteria are present.
- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for "loss", regardless of the number of claims, is \$15,000. This limit is the most we will pay for the total of all "loss" arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungi", wet or dry rot or bacteria continues to be pre-

sent or active, or recurs, in a subsequent "coverage term".

- (4) The coverage provided under this Coverage Extension does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in "loss" by "fungi", wet or dry rot or bacteria, and other "loss", we will not pay more, for the total of all "loss" than the applicable Limit of Insurance on the affected Covered Property.

If there is covered "loss" to Covered Property, not caused by "fungi", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Coverage Extension, except to the extent that "fungi", wet or dry rot or bacteria causes an increase in the "loss". Any such increase in the "loss" will be subject to the terms of this Coverage Extension.

- (5) The terms of this Coverage Extension do not increase or reduce the coverage provided under:

(a) **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse;**

(b) **SECTION A. COVERAGE, 5. Coverage Extensions, s. Water, Other Liquids, Powder or Molten Material Damage**

- (6) The following (6)(a) or (6)(b) apply only if "Business Income", "Rental Value", or Extra Expense Coverage applies to the "premises" and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable "Business Income", "Rental Value", or Extra Expense Coverage.

(a) If the "loss" which resulted in "fungi", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to "loss" to property caused by "fungi", wet or dry rot or bacteria, then our payment under "Business Income" and/or Extra Expense is limited to the amount of "loss" and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

(b) If a covered "suspension" of "operations" was caused by "loss" other than "fungi", wet or dry rot or bacteria but remedia-

tion of "fungi", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for "loss" and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

- (7) This Coverage Extension does not apply to lawns, trees, plants or shrubs that are part of any vegetative roof.

#### h. Glass

- (1) If a Covered Cause of Loss occurs to building glass that is Covered Property, we will also pay necessary expenses you incur to:

(a) Put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;

(b) Repair or replace encasing frames;

(c) Remove or replace obstructions (except expenses to remove or replace window displays); and

(d) Repair or replace alarm tapes.

- (2) If you are a tenant at a covered "premises" and:

(a) The building you occupy is not Covered Property; and

(b) You are legally liable for direct "loss" to the building glass in that building;

such building glass, for the purposes of this Paragraph h.(2), is Covered Property. The most we will pay for "loss" in any one occurrence is \$5,000. This building glass is subject to the building deductible as described in **SECTION C. DEDUCTIBLE**.

- (3) For the purposes of this Coverage Extension only, **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

(a) **Exclusion (1)(b) Earth Movement;**

(b) **Exclusion (1)(c) Governmental Action;**

- (c) **Exclusion (1)(d) Nuclear Hazard;**
- (d) **Exclusion (1)(f) War and Military Action;**
- (e) **Exclusion (2)(d)1) Wear and tear; and**
- (f) As listed in **Exclusion (2)(d)2):** Rust or other corrosion, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

i. **Newly Purchased, Leased or Constructed Property**

(1) **Buildings**

If buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to:

- (a) Your new buildings or additions while being built on the "premises";
- (b) Buildings you newly purchase or become newly required to insure by written contract that are:
  - 1) Intended for use by you as a warehouse; or
  - 2) Similarly used by you as buildings insured under this Coverage Part.

The most we will pay for "loss" in any one occurrence to a building under this Coverage Extension is 1,000,000 for each building.

(2) **Business Personal Property**

- (a) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to business personal property you newly purchase or are required to insure by written contract:
  - 1) While located at buildings described in Paragraph **a.(1)** of this Coverage Extension; or
  - 2) While located in a leased building or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

- (b) Paragraph **a.(2)(a)** of this Coverage Extension does not apply to:

- 1) Any business personal property covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs, or Trade Shows or m. Property Off Premises;**
- 2) Any business personal property that is covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, p. Transportation** or is otherwise considered to be in-transit to or from a "premises".
- 3) Business personal property of others that is temporarily in your possession in the course of installing or performing work on such property, or temporarily in your possession in the course of your manufacturing or wholesaling activities.

The most we will pay for "loss" in any one occurrence to your Business Personal Property under this Coverage Extension is \$500,000 at each building.

(3) **Period of Coverage**

Coverage provided under this Coverage Extension will end when any of the following first occurs:

- (a) This policy expires,
- (b) For buildings described in Paragraph **(1)(a)** of this Coverage Extension, 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (c) For business property described in Paragraph **(1)(b)** and Paragraph **(2)(a)1)**, 90 days after your purchase or lease;
- (d) For business personal property described in Paragraph **(2)(a)2)**, 90 days from the effective date

of the lease of the building space in the building; or

(e) You report values to us.

We will charge you additional premium for values reported from the date you lease or purchase the property, or begin construction on that part of the building that would qualify as Covered Property.

**j. Nonowned Building Damage**

If you are a tenant at a covered "premises" and:

- (1) The building you occupy is not Covered Property; and
- (2) You are legally liable for direct "loss" to that building;

We will pay for direct "loss" to that building caused by burglary, robbery, theft or attempted theft.

This Coverage Extension does not apply to:

- (1) Glass, including lettering and ornamentation, and also necessary:
  - (a) Repair or replacement of encasing frames or alarm tapes; and
  - (b) Expenses incurred to board up openings or remove or replace obstruction.
- (2) Building materials and equipment removed from the "premises".

This Coverage Extension does not apply if you have purchased other insurance in your name on the building you occupy as required by the lease.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

**k. Outdoor Property**

We will pay for direct "loss" caused by a Covered Cause of Loss to the following types of your Covered Property:

- (1) Radio antennas, television antennas or satellite dishes (including their lead-in wiring, masts and towers);
- (2) Trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or part of a vegetative roof), including debris removal; and
- (3) If you are a tenant, to your awnings that are attached to a building you occupy;

but only if caused by or resulting from any of the following causes of loss if they are included as Covered Causes of Loss under this Coverage Part:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion;
- (5) Aircraft; or
- (6) Falling objects.

We will pay for the debris removal expenses of the above type property that are not your Covered Property if such debris is on your "premises" due to the Covered Causes of Loss described in this Coverage Extension. If you are a tenant, we do not pay debris removal expenses for trees, plants or shrubs owned by the landlord or owner of the building you occupy.

No other coverage for debris removal expenses provided in this Coverage Part applies to this Outdoor Property Coverage Extension.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000, but not more than \$1,000 for any one tree, shrub or plant.

**l. Personal Effects**

If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to personal effects owned by:

- (1) You, your officers, or your partners, or if you are a limited liability company, your members or your managers; or
- (2) Your employees (including temporary and leased employees), including tools owned by your employees that are used in your business. However, employee tools are not covered for theft.

This Coverage Extension does not apply to "money" or "securities".

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Coverage Extension has a \$500 per occurrence limitation for direct "loss" by theft.



The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

**m. Property Off Premises**

(1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others, while it is away from the "premises", if it is:

- (a) Temporarily at a location you do not own, lease or operate; or
- (b) In storage at a location you lease, provided the lease was executed for the first time after the beginning of the current "coverage term".

(2) This Coverage Extension does not apply to Covered Property at exhibitions, fairs, trade show, or in transit.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**n. Signs**

We will pay for direct "loss" caused by a Covered Cause of Loss, including debris removal expense, to signs not otherwise insured by this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**o. Trailers (Nonowned Detached)**

(1) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is temporarily in your care, custody or control at the "premises"; and
- (c) You have a contractual responsibility to pay for "loss" to the trailer.

(2) We will not pay for any direct "loss" that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) This insurance is excess over the amount due, whether you can collect on it or not, from any other insurance covering such property.

(4) This Coverage Extension does not apply to any property inside or on the trailer.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

**p. Transportation**

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others while it is in or on a vehicle, including loading and unloading of the property.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

**q. Utility Services**

We will pay for:

(1) Direct "loss" to Covered Property at your "premises" except for direct "loss" resulting from the partial or complete failure of Wastewater Removal Services; and

(2) Loss of "Business Income" you sustain and Extra Expenses you incur as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense;**

caused by or resulting from the partial or complete failure of utility services to the "premises".

The partial or complete failure of the utility services listed below must be caused by direct "loss" caused by a Covered Cause of Loss to the following property:

(1) Power Supply Property, meaning the following types of property supplying

electricity, steam or natural gas to the "premises":

- (a) Utility generating plants;
  - (b) Switching stations;
  - (c) Substations;
  - (d) Transformers; and
  - (e) Transmission, distribution, service, or similar lines, excluding all such overhead lines of any type.
- (2) Water Supply Property, meaning the following types of property supplying water to the "premises":
- (a) Pumping stations; and
  - (b) Water mains.
- (3) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the "premises", other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities. Coverage under this Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
- (4) Communication Supply Property, meaning property supplying communication services, including service relating to Internet access or access to any electronic, cellular or satellite network; telephone, radio, microwave or television services to the "premises", such as:
- (a) Communication transmission, distribution, service or similar lines, including fiber optic lines, excluding all such overhead lines of any type;
  - (b) Coaxial cables; and
  - (c) Microwave radio relays, excluding satellites.

This Coverage Extension does not apply to "loss" to "electronic data", including destruction or corruption of "electronic data".

The most we will pay for all direct "loss" and loss of "Business Income" and Extra Expense in any one occurrence is \$25,000.

**r. Valuable Papers and Records**

**SECTION C. DEDUCTIBLE** does not apply to this Coverage Extension.

- (1) Subject to Paragraph **r.(3)** of this Coverage Extension, we will pay necessary costs you incur to re-search, replace or restore lost or damaged information on "valuable papers and records" that are your property or the property of others in your care, custody or control; resulting from direct "loss" caused by a Covered Cause of Loss.

- (2) Coverage does not apply to:

- (a) Property that cannot be replaced with other property of like kind and quality;
- (b) Property held as samples or for delivery after sale;
- (c) Property in storage away from the "premises", except as provided in Paragraph **r.(4)(b)** of this Coverage Extension;
- (d) Contraband, or property in the course of illegal transportation or trade;
- (e) "Valuable papers and records" in the form of "electronic data", including the materials on which the "electronic data" is recorded.

- (3) The most we will pay for "loss" is the least of the following amounts:

- (a) The cost of reasonably restoring the damaged property to its condition immediately before the "loss";
- (b) The cost of replacing the damaged property with substantially identical property; or
- (c) The actual cash value of the damaged property at the time of "loss".

However, we will not pay for "loss" unless or until the damaged property is actually replaced or restored; and then only if such replacement or restoration occurs within 36 months from the date of direct "loss".

- (4) We will extend coverage to include:

**(a) Removal**

If you give us written notice within 30 days of removal of your "valuable papers and records"

because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for direct "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limits of Insurance applicable to this Coverage Extension.

**(b) Away From Your Premises**

We will pay up to \$5,000 in any one occurrence, regardless of the number of locations, for direct "loss" caused by a Covered Cause of Loss to "valuable papers and records" while they are away from your "premises".

This Away From Premises limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

**(5) SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension except as follows:

- (a) Exclusion (1)(c) Governmental Action;**
- (b) Exclusion (1)(d) Nuclear Hazard; and**
- (c) Exclusion (1)(f) War and Military Action.**

**(6) In addition to Paragraph r.(5) of this Coverage Extension, we will not pay for direct "loss" resulting from any of the following:**

- (a) Dishonest or criminal acts by:**
  - 1) You, your partners, employees, directors, trustees or authorized representatives;
  - 2) A manager or a member if you are a limited liability company;
  - 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
  - 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **r.(6)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **r.(6)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

- (b) Errors or omissions in processing or copying.** However, we will pay for that portion of direct "loss" caused by resulting fire or explosion if these causes of loss would be covered by this Coverage Part.
- (c) Electrical or magnetic injury, disturbance or erasure of electronic recordings.** But we will pay for direct "loss" caused by lightning.
- (d) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.**

The most we will pay for "loss" in any one occurrence is \$25,000.

**s. Water Damage, Other Liquids, Powder or Molten Material Damage**

If a covered direct "loss" to which this insurance applies was caused by or resulted from water or other liquid, powder or molten material damage, we will also pay the cost to tear out and replace any otherwise undamaged part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

**SECTION B. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except as amended in **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, 4. Additional Coverages, and 5. Coverage Extensions.**

**SECTION C. DEDUCTIBLE**

Except as otherwise provided; in any one occurrence of direct "loss" we will first reduce the amount of "loss" if required by **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance or SECTION F. OPTIONAL COVERAGES, 1. Agreed Value.** If the adjusted amount of direct "loss" is less than or equal to the Deductible, we will not pay for that direct "loss". If the adjusted amount of direct "loss" exceeds the Deductible, we will then

subtract the Deductible from the adjusted amount of direct "loss", and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves direct "loss" to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

## 1. Deductible Examples

### Example No. 1:

(This example assumes there is no coinsurance penalty as outlined in **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**).

Deductible:	\$250
Limit of Insurance - Bldg. 1:	\$60,000
Limit of Insurance - Bldg. 2:	\$80,000
"Loss" to Bldg. 1:	\$60,100
"Loss" to Bldg. 2:	\$90,000

The amount of "loss" to Bldg. 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Bldg. 1 plus the Deductible.

The Deductible will be subtracted from the amount of "loss" in calculating the "loss" payable for Bldg. 1:

$$\$60,100 - \$250 = \$59,850 \text{ "Loss" Payable - Bldg. 1}$$

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of "loss" payable for Bldg. 2. "Loss" payable for Bldg. 2 is the Limit of Insurance of \$80,000.

Total amount of "loss" payable: \$59,850 + 80,000 = \$139,850.

### Example No. 2:

(This example also assumes there is no coinsurance penalty).

The Deductible and Limits of Insurance are the same as those in Example No. 1:

"Loss" to Bldg. 1: \$70,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" to Bldg. 2: \$90,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" Payable - Bldg. 1: \$60,000 (Limit of Insurance)

"Loss" Payable - Bldg. 2: \$80,000 (Limit of Insurance)

Total amount of "loss" payable: \$140,000.

## 2. Glass Deductible

When direct "loss" to the building you occupy only involves building glass, the Deductible for that "loss" will be the lesser of:

- a. \$500; or
- b. The Deductible shown in the Declarations for that Covered Property.

## SECTION D. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

### 1. Abandonment

There can be no abandonment of any property to us.

### 2. Appraisal

If we and you disagree on the value of the property, the amount of Net Income and operating expense, or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the amount of Net Income and operating expense, and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we still retain our right to deny the claim.

### 3. Duties in the Event of Loss or Damage

- a. In the event of "loss" to Covered Property, you must see that the following are done in order for coverage to apply:
  - (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the "loss". Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when and where the "loss" occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Keep a



record of your expenses necessary to protect the Covered Property for consideration in the settlement of the claim. This will not increase your limit of insurance. However, in no event will we pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss.

- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of "loss" claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.  
  
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis and permit us to make copies from your books and records.
- (7) Submit a signed sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- (9) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

#### 4. Loss Payment

- a. In the event of "loss" insured by this Coverage Part, at our option, we will either:
  - (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property;
  - (3) Take all or any part of the property at an agreed or appraised value; or
  - (4) Repair, rebuild or replace the property with other property of like kind and quality.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of **SECTION D. LOSS CONDITIONS, 7. Valuation** or any applicable provision that amends or supercedes this valuation condition.

- b. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property, except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust "losses" with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. Our payment for "loss" to personal property of others and personal effects will only be for the account of the owner of the property.
- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- h. We will pay for insured "loss" within 30 days after we receive the sworn proof of loss if you have complied with all of the terms of this Coverage Part; and
  - (1) We have reached agreement with you on the amount of "loss"; or
  - (2) An appraisal award has been made.

#### i. **Loss Payment - Ordinance or Law.**

With respect to **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**:

##### (1) **Loss of Use of Undamaged Parts of Building**

When there is a loss in value of an undamaged portion of a building or structure to which this coverage applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

(a) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is repaired or replaced, on the same "premises" or another "premises"; we will not pay more than the lesser of:

- 1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same "premises" and to the same height, floor area, style and comparable quality of the original property insured; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

(b) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:

- 1) The "actual cash value" of the building at the time of "loss"; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

## (2) Demolition Costs

Loss payment for Demolition Costs will be determined as follows:

We will not pay more than the lesser of the following:

- (a) The amount you actually spend to demolish and clear the site of the "premises"; or

(b) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Demolition Costs** for the building that has suffered "loss".

## (3) Increased Costs of Construction

Loss payment for **Increased Costs of Construction** will be determined as follows:

(a) We will not pay for the increased cost of construction until the property is actually repaired or replaced, at the same "premises" or another location and unless the repairs or replacement are made as soon as reasonably possible after the direct "loss", not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same "premises", or if you elect to rebuild at another "premises", the most we will pay for the **Increased cost of construction** is the lesser of:

- 1) The increased cost of construction at the same "premises"; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

(c) If the ordinance or law requires relocation to another location the most we will pay for the increased cost of construction is the lesser of:

- 1) The increased cost of construction at the new location; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

## (4) Proportional Payments

If the building or structure sustains both direct "loss" that is covered un-

der this Coverage Part and direct "loss" that is not covered under this Coverage Part; and as a result of the direct "loss" in its entirety you are required to comply with the ordinance or law, we will not pay the full amount of direct "loss" otherwise payable under the terms of **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**. Instead, we will pay a proportion of such direct "loss"; meaning the proportion that the covered direct "loss" bears to the total direct "loss".

**j. Loss Determination - Business Income and Extra Expense**

With respect to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**,

- (1) The amount of "Business Income" and "Rental Value" "loss" will be determined based on:
  - (a) The Net Income of the business before the direct "loss" occurred;
  - (b) The likely Net Income of the business if no direct "loss" had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
  - (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
  - (d) Other relevant sources of information, including:
    - 1) Your financial records and accounting procedures;
    - 2) Bills, invoices and other vouchers; and
    - 3) Deeds, liens or contracts.
- (2) The amount of Extra Expense will be determined based on:
  - (a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct "loss"

had occurred. We will deduct from the total of such expenses:

- 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
  - 2) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (b) Necessary expenses that reduce the "Business Income" and "Rental Value" "loss" that otherwise would have been incurred.

**(3) Resumption of Operations**

We will reduce the amount of your:

- (a) "Business Income" and "Rental Value" "loss", other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the "premises" or elsewhere.
  - (b) Extra Expense "loss" to the extent you can return "operations" to normal and discontinue such Extra Expense.
- (4) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**k. Party Walls**

A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the "loss" to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the "loss" to the party wall, subject to all applicable policy provisions all other provisions of this **SECTION D. LOSS CONDITIONS, 4. Loss Payment** including:

- (1) Limit of Insurance shown in the Declarations;
- (2) **SECTION D. LOSS CONDITIONS, 7. Valuation**; and
- (3) **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance.**

Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of **COMMERCIAL PROPERTY CONDITIONS, I. Transfer Of Rights Of Recovery Against Others To Us** in this Coverage Part.

## 5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

## 6. Vacancy

### a. Description of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:
  - (a) When this Coverage Part is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
  - (b) When this Coverage Part is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
    - 1) Rented to a lessee or sublessee and used by them to conduct their customary operations; or
    - 2) Used by the building owner to conduct customary operations.

- (2) Buildings under construction or renovation are not considered vacant.

### b. Vacancy Provisions

If the building where direct "loss" occurs has been vacant for more than 60 consecutive days before that "loss", we will:

- (1) Not pay for any "loss" caused by any of the following, even if they are Covered Causes of Loss:
  - (a) Vandalism;
  - (b) Sprinkler leakage, unless you have protected the system against freezing;
  - (c) Building glass breakage;
  - (d) Water damage;
  - (e) Theft; or
  - (f) Attempted theft.
- (2) Reduce the amount we would otherwise pay for the "loss" by 15% with respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** of this Loss Condition.

## 7. Valuation

We will determine the value of Covered Property in the event of direct "loss" as follows:

- a. At "Actual Cash Value" as of the time of direct "loss", except as provided in **b.**, **c.**, **d.**, and **e.** below.
- b. If the Limit of Insurance for Building satisfies **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.



- d. Glass at the cost of replacement with safety glazing material if required by law.
  - e. Tenant's Improvements and Betterments at:
    - (1) Replacement Cost of the lost or damaged property if you make repairs promptly.
    - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
      - (a) Multiply the original cost by the number of days from the "loss" or damage to the expiration of the lease; and
      - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.
- If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
- (3) Nothing if others pay for repairs or replacement.
  - (4) For the purposes of valuation, tenants' improvements and betterments are not considered to be the personal property of others.

## SECTION E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

### 1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any "loss" if the value of Covered Property at the time of direct "loss" times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of direct "loss" by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in step (1);

- (3) Multiply to the total amount of "loss", before the application of any deductible, by the figure determined in step (2); and
- (4) Subtract the deductible from the figure determined in step (3).

We will pay the amount determined in step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the "loss" yourself.

### Example No. 1 (Underinsurance):

The value of the property is: \$250,000  
 The coinsurance percentage is: 80%  
 The Limit of Insurance is: \$100,000  
 The Deductible is: \$250  
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$  (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$100,000 \text{ divided by } \$200,000 = .50$

Step (3):

$\$40,000 \times .50 = \$20,000$

Step (4):

$\$20,000 - \$250 = \$19,750$ .

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

### Example No. 2 (Adequate Insurance):

The value of the property is: \$250,000  
 The coinsurance percentage is: 80%  
 The Limit of Insurance is: \$200,000  
 The Deductible is: \$250  
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$  (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$200,000 : \$200,000 = 1.00$

Step (3):

$\$40,000 \times 1.00 = \$40,000$

Step (4):

$\$40,000 - \$250 = \$39,750$ .

We will pay no more than \$39,750 "loss" in excess of the Deductible. No penalty applies.

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

**Example No. 3:**

The values of the property are:

Bldg. at Location No. 1:	\$75,000
Bldg. at Location No. 2:	\$100,000
Personal Property at Location No. 2:	<u>\$75,000</u>
	250,000

The coinsurance percentage is: 90%  
The Limit of Insurance for Buildings and Personal

Property at Location Nos. 1 and 2 is:	\$180,000
The Deductible is:	\$1,000
The amount of "loss" is:	
Bldg. at Location No. 2:	\$30,000
Personal Property at Location No. 2:	<u>\$20,000</u>
	\$50,000

Step (1):

$\$250,000 \times 90\% = \$225,000$   
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):  
 $\$180,000 : \$225,000 = .80$

Step (3):  
 $\$50,000 \times .80 = \$40,000$

Step (4):  
 $\$40,000 - \$1,000 = \$39,000.$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

## 2. Mortgage Holders

- a. The term "mortgage holder" includes trustee.
- b. We will pay for covered "loss" to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply

with the terms of this Coverage Part, the mortgage holder will still have the right to receive loss payment if the mortgage holder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this Coverage Part will then apply directly to the mortgage holder.

- e. If we pay the mortgage holder for any "loss" and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgage holder at least:
- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgage holder at least ten days before the expiration date of this policy.

## SECTION F. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

**1. Agreed Value**

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for direct "loss" to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Limit of Insurance indicated in the most current Statement of Values that applies to this Coverage Part.
- b. If the Agreed Value Optional Coverage is deleted from the policy, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage does not apply.
- c. The terms of this Optional Coverage apply only to "loss" that occurs:
  - (1) On or after the effective date of this Optional Coverage; and
  - (2) Before the policy expiration date.
- d. This Agreed Value Optional Coverage does not apply to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

**2. Inflation Guard**

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
  - (1) The Limit of Insurance that applied on the beginning of the current "coverage term" or any other Coverage Part change amending the Limit of Insurance, multiplied by
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), multiplied by
  - (3) The number of days since the beginning of the current "coverage term" or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365. In the event of "loss", this number of days ends at the original date of "loss".

Example:

If: The applicable Limit of Insurance is: \$100,000

The Annual percentage increase is: 8%

The number of days since the beginning of the policy year (or last policy change) is: 146

The amount of increase is  
 $\$100,000 \times .08 \times (146/365) = \$3,200$

**3. Replacement Cost**

- a. Replacement Cost (without deduction for depreciation) replaces "Actual Cash Value" in **SECTION D. LOSS CONDITIONS, 7. Valuation** of this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. This Optional Coverage does not apply to:
  - (1) Personal Property of others, except leased personal property as described in **SECTION A. COVERAGE, 1. Covered Property, d.(7)**. The valuation of such leased personal property will be based on the amount for which you are liable under the lease, but not to exceed the replacement cost of the leased item.
  - (2) Personal effects;
  - (3) Contents of a residence;
  - (4) Manuscripts;
  - (5) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
  - (6) "Stock" unless the Replacement Cost including "Stock" option is shown in the Declarations; or
  - (7) Property, that at the time of "loss":
    - (a) Is outdated, or obsolete and is stored or not being used; or
    - (b) Has no practical value to you.
- c. You may make a claim for "loss" covered by this insurance on an "Actual Cash Value" basis instead of on a replacement cost basis. In the event you elect to have "loss" settled on an "Actual Cash Value" basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the "loss".
- d. We will not pay on a replacement cost basis for any "loss":
  - (1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same

purpose as the lost or damaged property; and

- (2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".

e. We will not pay more for "loss" on a replacement cost basis than the least of:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace, on the same "premises", the lost or damaged property with other property:
  - (a) Of comparable material and quality; and
  - (b) Used for the same purpose; or
- (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use, or repair of any building or structure except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law.**

## SECTION G. DEFINITIONS

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.
2. "Business Income" means the:
  - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses sustained, including payroll.
3. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if

any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or
- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

5. "Electronic data" means information, facts or "computer programs" stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.
6. "Finished stock" means stock you have manufactured, except "stock" you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.
7. "Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.
8. "Loss" means accidental physical loss or accidental physical damage.
9. "Money" means:
  - a. Currency, coins and bank notes whether or not in current use; and
  - b. Travelers checks, registered checks and money orders held for sale to the public.
10. "Operations" means:
  - a. Your business activities occurring at the "premises"; and
  - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
11. "Period of restoration" means the period of time that:
  - a. Begins at the time of direct "loss".
  - b. Ends on the earlier of:



- (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (2) The date when business is resumed at a new permanent location.
  - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
    - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
    - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
  - d. The expiration date of the policy will not cut short the "period of restoration".
12. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
13. "Premises" means the Locations and Buildings described in the Declarations.
14. "Rental Value" means "Business Income" that consists of :
- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "premises" described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the "premises" which is occupied by you; and
  - b. Continuing normal operating expenses incurred in connection with that "premises", including:
    - (1) Payroll; and
    - (2) The amount of charges, which are the legal obligation of the tenant(s) but would otherwise be your obligations.
15. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
- a. Tokens, tickets, revenue and other stamps whether or not in current use; and
  - b. Evidences of debt issued in connection with credit or charge cards, which are not of your own issue; but does not include "money". Lottery tickets held for sale are not "securities" or evidences of debt.
16. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the Covered Property into subterranean voids created by the action of water on a limestone or similar rock formation. This does not include:
- a. The cost of filling sinkholes;
  - b. Sinking or collapse of land into man-made subterranean cavities; or
  - c. The value of the land.
17. "Specified causes of loss" means fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects; weight of snow, ice or sleet; and water damage.
- a. Falling objects does not include "loss" to:
    - (1) Personal property in the open; or
    - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
  - b. Water damage means:
    - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
    - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "premises" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include "loss" otherwise excluded under the terms of **BUILDING AND BUSINESS PERSONAL PROPERTY, SECTION A. COVERAGE, 3. Covered Causes of Loss, (g) Water**. Therefore, for example, there is no coverage under this Coverage Part in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Exclusion **(g) Water**, there is no coverage for "loss" caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **18.b.(1)** or **18.b.(2)** of this definition of "Specified causes of loss", such

water is not subject to the provisions of Exclusion **(g) Water**.

18. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.
19. "Suspension" means:
  - a. The slowdown or cessation of your business activities; and
  - b. That a part or all of the "premises" is rendered untenable.
20. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information.

But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

Loc	Bldg	Loss Payee Name and Address:	Applicable Clause (Enter B, C, D or E):
BLKT	BLKT	BLANKET WHEN REQUIRED BY WRITTEN CONTRACT	B

**A.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

For the purposes of this endorsement only, the following are added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D, LOSS CONDITIONS, d. Loss Payment**, as indicated in the Schedule of this endorsement.

**B. Loss Payable**

For Covered Property in which both you and a Loss Payee shown in the Schedule of this endorsement have an insurable interest, we will:

- Adjust losses with you and
- Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

**C. Lender's Loss Payable**

- The Loss Payee shown in the Schedule of this endorsement is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:
  - Warehouse receipts;
  - A contract for deed;
  - Bills of lading;
  - Financing statements; or
  - Mortgages, deeds of trust, or security agreements.
- For Covered Property in which both you and a Loss Payee have an insurable interest:
  - We will pay for covered "loss" to each Loss Payee in their order of precedence, as interests may appear.
  - The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
  - If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
    - (1) Pays any premium due under the Coverage Part, at our request, if you have failed to do so;
    - (2) Submits a signed, sworn report of loss within 60 days after receiving notice from us of your failure to do so; and

(3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any "loss" and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part,

(1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and

(2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel the policy, we will give written notice to the Loss Payee at least:
- 15 days before the effective date of cancellation if we cancel for your non-payment of premium;
  - 30 days before the effective date of cancellation if we cancel for any other reason.

4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 30 days before the expiration date of this policy.

#### **D. Contract of Sale**

- The Loss Payee shown in the Schedule of this endorsement is a person or organization you have entered a contract with for the sale of Covered Property.
- For Covered Property in which both you and the Loss Payee have an insurable interest we will:
  - Adjust losses with you; and
  - Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.
- For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

#### **E. Building Owner Loss Payable Clause**

- The Loss Payee shown in the Schedule of this endorsement is the owner of the building in which you are a tenant.
- We will adjust losses to the building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART****SCHEDULE**

Loc	Bldg	Loss Payee Name and Address:	Applicable Clause (Enter B, C, D or E):
BLKT	BLKT	BLANKET WHEN REQUIRED BY WRITTEN CONTRACT	C

**A.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

For the purposes of this endorsement only, the following are added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D, LOSS CONDITIONS, d. Loss Payment**, as indicated in the Schedule of this endorsement:

**B. Loss Payable**

For Covered Property in which both you and a Loss Payee shown in the Schedule of this endorsement have an insurable interest, we will:

- Adjust losses with you and
- Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

**C. Lender's Loss Payable**

- The Loss Payee shown in the Schedule of this endorsement is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:
  - Warehouse receipts;
  - A contract for deed;

- Bills of lading;
- Financing statements; or
- Mortgages, deeds of trust, or security agreements.

**2.** For Covered Property in which both you and a Loss Payee have an insurable interest:

- We will pay for covered "loss" to each Loss Payee in their order of precedence, as interests may appear.
- The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
  - (1) Pays any premium due under the Coverage Part, at our request, if you have failed to do so;
  - (2) Submits a signed, sworn report of loss within 60 days after receiving notice from us of your failure to do so; and

(3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any "loss" and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part,

(1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and

(2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel the policy, we will give written notice to the Loss Payee at least:
- 15 days before the effective date of cancellation if we cancel for your non-payment of premium;
  - 30 days before the effective date of cancellation if we cancel for any other reason.

4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 30 days before the expiration date of this policy.

#### **D. Contract of Sale**

- The Loss Payee shown in the Schedule of this endorsement is a person or organization you have entered a contract with for the sale of Covered Property.
- For Covered Property in which both you and the Loss Payee have an insurable interest we will:
  - Adjust losses with you; and
  - Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.
- For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

#### **E. Building Owner Loss Payable Clause**

- The Loss Payee shown in the Schedule of this endorsement is the owner of the building in which you are a tenant.
- We will adjust losses to the building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL COVERED PROPERTY**

The endorsement increases insurance provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY**

The following is withdrawn from PROPERTY NOT COVERED and added to COVERED PROPERTY.

### **SCHEDULE\***

<b>Prem. No.</b>	<b>Bldg. No.</b>	<b>Paragraph Reference</b>	<b>Description of Property</b>	<b>Type of Property Coverage (Enter BUILDING or PERSONAL PROPERTY)</b>
BLKT	BLKT	2.i.	PAVED SURFACES	BUILDING

\*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COMMERCIAL PROPERTY MORTGAGE HOLDER SCHEDULE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL OUTPUT POLICY - PROPERTY COVERAGE FORM**

**ITEM#     MORTGAGE HOLDER**

**DLKT     BLANKET WHEN REQUIRED BY WRITTEN CONTRACT**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGES

Loc	Bldg	Covered Property
1	1	BUILDING
1	1	BUSINESS INCOME
1	1	BUSINESS PERSONAL PROPERTY
2	1	BUILDING
2	1	BUSINESS INCOME
3	1	BUILDING
3	1	BUSINESS INCOME
4	1	BUILDING
4	1	BUSINESS INCOME
5	1	BUILDING
5	1	BUSINESS INCOME

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the bargeage, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGE 8

Loc	Bldg	Covered Property
6	1	BUILDING
6	1	BUSINESS INCOME
7	1	BUILDING
7	1	BUSINESS INCOME
8	1	BUILDING
8	1	BUSINESS INCOME
9	1	BUILDING
9	1	BUSINESS INCOME
10	1	BUILDING
10	1	BUSINESS INCOME
11	1	BUILDING

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

**D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the bargeage, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ \_\_\_\_\_

Loc	Bldg	Covered Property
11	1	BUSINESS INCOME
12	1	BUILDING
12	1	BUSINESS INCOME
13	1	BUILDING
17	1	BUILDING
17	1	BUSINESS INCOME
19	1	BUILDING
19	1	BUSINESS INCOME
21	1	BUILDING
21	1	BUSINESS INCOME
22	1	BUILDING

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the bargeage, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.



**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remedialing Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remedialing land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1, Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGE 8

Loc	Bldg	Covered Property
22	1	BUSINESS INCOME
23	1	BUILDING
23	1	BUSINESS INCOME
24	1	BUILDING
24	1	BUSINESS INCOME
25	1	BUILDING
25	1	BUSINESS INCOME
27	1	BUILDING
27	1	BUSINESS INCOME
28	1	BUSINESS INCOME
29	1	BUSINESS INCOME

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

**D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the bargeage, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remedialing Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remedialing land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ PA104S

Loc	Bldg	Covered Property
30	1	BUSINESS INCOME
31	1	BUILDING
31	1	BUSINESS INCOME
31	1	BUSINESS PERSONAL PROPERTY
33	1	BUILDING
33	1	BUSINESS INCOME
34	1	BUSINESS INCOME
35	1	BUILDING
35	1	BUSINESS INCOME
37	1	BUILDING
37	1	BUSINESS INCOME

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remedialing Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remedialing land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGE

Loc	Bldg	Covered Property
38	1	BUILDING
39	1	BUSINESS INCOME
47	1	BUILDING
47	1	BUSINESS INCOME
49	1	BUILDING
49	1	BUSINESS INCOME
49	1	BUILDING
49	1	BUSINESS INCOME
52	1	BUILDING
52	1	BUSINESS INCOME
54	1	BUILDING

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGE 8

Loc	Bldg	Covered Property
54	1	BUSINESS INCOME
54	1	BUSINESS PERSONAL PROPERTY
54	2	BUILDING
55	1	BUILDING
55	1	BUSINESS INCOME
57	1	BUILDING
57	1	BUSINESS INCOME
60	1	BUILDING
60	1	BUSINESS INCOME

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remedialing Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remedialing land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGE 8

Loc	Bldg	Covered Property
63	1	BUILDING
63	1	BUSINESS INCOME
64	1	BUSINESS PERSONAL PROPERTY
65	1	BUILDING
65	1	BUSINESS INCOME
69	1	BUILDING
69	1	BUSINESS INCOME
69	2	BUILDING
69	2	BUSINESS INCOME
71	1	BUSINESS INCOME
75	1	BUILDING

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

**D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option



**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1, Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ PA104S

Loc	Bldg	Covered Property
75	1	BUSINESS INCOME
76	1	BUILDING
76	1	BUSINESS INCOME
77	1	BUILDING
77	1	BUSINESS INCOME
79	1	BUILDING
79	1	BUSINESS INCOME
92	1	BUSINESS PERSONAL PROPERTY
94	1	BUSINESS PERSONAL PROPERTY
100	1	BUILDING
100	1	BUSINESS INCOME

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the bargeage, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remedialing Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remedialing land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1, Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGE

Loc	Bldg	Covered Property
101	1	BUILDING
101	1	BUSINESS INCOME
102	1	BUILDING
102	1	BUSINESS INCOME
103	1	BUILDING
103	1	BUSINESS INCOME
105	1	BUILDING
105	1	BUSINESS INCOME
106	1	BUILDING
106	1	BUSINESS INCOME
111	1	BUILDING

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the bargeage, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remedialing Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remedialing land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE PAGE 8

Loc	Bldg	Covered Property
111	1	BUSINESS INCOME
113	1	BUILDING
113	1	BUSINESS INCOME
116	1	BUILDING
116	1	BUSINESS INCOME
117	1	BUILDING
117	1	BUSINESS INCOME

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.



**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

- i. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

**A. Coverage and Coverage Locations**  
(Enter an "X" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ 1,000,000

Loc	Bldg	Covered Property
59	1	BUILDING
59	1	BUSINESS INCOME

\$

**B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,000,000 in any single "coverage term", regardless of the number of floods

**C. Flood Deductible**

\$ 250,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("X" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option

**A. Flood Coverage**

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunamis) or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph a.(1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a.(1) and a.(2) above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

**B. Covered Property for Flood**

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

**C. Property Not Covered by Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-891, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

**D. Revised Exclusions**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

**E. Exclusions**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

**Pre-Existing Flood or Flood at Inception**

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

**Destabilization of Land**

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

**Cost of Restoring or Remediating Land**

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

**Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

**Property in the Open**

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

**F. Debris Removal from Flood**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

**b. Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hauled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

**G. Flood for Newly Purchased, Leased or Constructed Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, 1. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages and Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood limit)

Total Loss Payment is \$800,000

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C, DEDUCTIBLE** is amended to include the following.

#### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A- COVERAGE, 5. Coverage Extensions, b- Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E, ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

### L. Other Insurance

For the purposes of this endorsement only, **SECTION G, Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

### G. Other Insurance

#### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1, Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the Flood Coverage Schedule or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in G.1. above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE SUPPLEMENTAL SCHEDULE

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SUPPLEMENTAL SCHEDULE

##### Blanket Flood Coverage

(Enter an "X" in the appropriate box to activate Coverage)

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building      ☐ Business Income      ☐ Extra Expense      ☐ Business Personal Property  
☐ Business Personal Property - Reporting      ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 1,000,000 **Flood Deductible** 50,000

- ☒ Building      ☒ Business Income      ☒ Extra Expense      ☒ Business Personal Property  
☐ Business Personal Property - Reporting      ☐ Property in the Open

	Loc #	Bldg #
1		1
2		1
3		1
4		1
5		1
6		1
7		1
8		1
9		1
10		1
11		1
12		1
13		1
17		1
19		1

**SUPPLEMENTAL SCHEDULE**

**Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

Loc #	Bldg #	Covered Property*	Flood Limit of Insurance	Flood Deductible
-------	--------	-------------------	-----------------------------	---------------------

\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SUPPLEMENTAL SCHEDULE**

##### **Blanket Flood Coverage**

(Enter an "X" in the appropriate box to activate Coverage)

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building ☐ Business Income ☐ Extra Expense ☐ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 1,000,000 **Flood Deductible** 50,000

- ☒ Building ☒ Business Income ☒ Extra Expense ☒ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

	<b>Loc #</b>	<b>Bldg #</b>
21		1
22		1
23		1
24		1
25		1
27		1
28		1
29		1
30		1
31		1
33		1
34		1
35		1
37		1
38		1

**SUPPLEMENTAL SCHEDULE**

**Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

Loc #	Bldg #	Covered Property*	Flood Limit of Insurance	Flood Deductible
-------	--------	-------------------	-----------------------------	---------------------

\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SUPPLEMENTAL SCHEDULE**

##### **Blanket Flood Coverage**

(Enter an "X" in the appropriate box to activate Coverage):

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building ☐ Business Income ☐ Extra Expense ☐ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 1,000,000 **Flood Deductible** 50,000

- ☒ Building ☒ Business Income ☒ Extra Expense ☒ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

	<b>Loc #</b>	<b>Bldg #</b>
47		1
40		1
49		1
52		1
54		1
54		2
55		1
57		1
60		1
62		1
63		1
64		1
65		1
69		1
69		2

**SUPPLEMENTAL SCHEDULE**

**Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

Loc #	Bldg #	Covered Property*	Flood Limit of Insurance	Flood Deductible
-------	--------	-------------------	-----------------------------	---------------------

\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SUPPLEMENTAL SCHEDULE**

##### **Blanket Flood Coverage**

(Enter an "X" in the appropriate box to activate Coverage):

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building ☐ Business Income ☐ Extra Expense ☐ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 1,000,000 **Flood Deductible** 50,000

- ☒ Building ☒ Business Income ☒ Extra Expense ☒ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

	<b>Loc #</b>	<b>Bldg #</b>
71		1
75		1
76		1
77		1
79		1
92		1
94		1
100		1
101		1
102		1
103		1
105		1
100		1
111		1
113		1

**SUPPLEMENTAL SCHEDULE**

**Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

Loc #	Bldg #	Covered Property*	Flood Limit of Insurance	Flood Deductible
-------	--------	-------------------	-----------------------------	---------------------

\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SUPPLEMENTAL SCHEDULE**

##### **Blanket Flood Coverage**

(Enter an "X" in the appropriate box to activate Coverage)

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building ☐ Business Income ☐ Extra Expense ☐ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 1,000,000 **Flood Deductible** 50,000

- ☒ Building ☒ Business Income ☒ Extra Expense ☒ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

	<b>Loc #</b>	<b>Bldg #</b>
116		1
117		1

**SUPPLEMENTAL SCHEDULE**

**Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

Loc #	Bldg #	Covered Property*	Flood Limit of Insurance	Flood Deductible
-------	--------	-------------------	-----------------------------	---------------------

\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SUPPLEMENTAL SCHEDULE**

##### **Blanket Flood Coverage**

(Enter an "X" in the appropriate box to activate Coverage):

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building ☐ Business Income ☐ Extra Expense ☐ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 1,000,000 **Flood Deductible** 250,000

- ☒ Building ☒ Business Income ☒ Extra Expense ☒ Business Personal Property  
☐ Business Personal Property - Reporting ☐ Property in the Open

	<b>Loc #</b>	<b>Bldg #</b>
	59	1

**SUPPLEMENTAL SCHEDULE**

**Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

Loc #	Bldg #	Covered Property*	Flood Limit of Insurance	Flood Deductible
-------	--------	-------------------	-----------------------------	---------------------

\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SUPPLEMENTAL SCHEDULE**

##### **Blanket Flood Coverage**

(Enter an "x" in the appropriate box to activate Coverage)

- ☐ The Blanket Flood Limit of Insurance applies at all "premises" shown in the Declarations for the following Covered Property:

**Blanket Flood Limit of Insurance** \_\_\_\_\_ **Flood Deductible** \_\_\_\_\_

- ☐ Building      ☐ Business Income      ☐ Extra Expense      ☐ Business Personal Property  
☐ Business Personal Property - Reporting      ☐ Property in the Open

- ☒ The Blanket Flood Limit of Insurance applies at all "premises" shown below for the following Covered Property:

**Blanket Flood Limit of Insurance** 2,000,000 **Flood Deductible** 50,000

- ☒ Building      ☒ Business Income      ☒ Extra Expense      ☒ Business Personal Property  
☐ Business Personal Property - Reporting      ☐ Property in the Open

Loc #	Bldg #
1	1
2	1
3	1
4	1
5	1
6	1
7	1
8	1
9	1
10	1
11	1
12	1
13	1
17	1
19	1
21	1
22	1
23	1
24	1
25	1
27	1
28	1
29	1
30	1
31	1
33	1
34	1
35	1
37	1
38	1
47	1
48	1
49	1
52	1
54	1
54	2
55	1
57	1
59	1
60	1
62	1
63	1
64	1
65	1
69	1
69	2
71	1

75	1
76	1
77	1
79	1
92	1
94	1
100	1
101	1
102	1
103	1
105	1
108	1
111	1
113	1
116	1
117	1

**SUPPLEMENTAL SCHEDULE**

**Scheduled Flood Coverage**

Flood Coverage applies only at the "premises" and to the Covered Property as shown below:

<b>Loc #</b>	<b>Bldg #</b>	<b>Covered Property*</b>	<b>Flood Limit of Insurance</b>	<b>Flood Deductible</b>
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\* Covered Property should be described as Building, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ **SEE FA104S**

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
1	1	BUILDING
1	1	BUSINESS INCOME
1	1	BUSINESS PERSONAL PROPERTY
2	1	BUILDING
2	1	BUSINESS INCOME
3	1	BUILDING
3	1	BUSINESS INCOME
4	1	BUILDING
4	1	BUSINESS INCOME
5	1	BUILDING
5	1	BUSINESS INCOME

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

##### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
6	1	BUILDING
6	1	BUSINESS INCOME
7	1	BUILDING
7	1	BUSINESS INCOME
8	1	BUILDING
8	1	BUSINESS INCOME
9	1	BUILDING
9	1	BUSINESS INCOME
10	1	BUILDING
10	1	BUSINESS INCOME
11	1	BUILDING

\$

##### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

##### **Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
11	1	BUSINESS INCOME
12	1	BUILDING
12	1	BUSINESS INCOME
13	1	BUILDING
17	1	BUILDING
17	1	BUSINESS INCOME
19	1	BUILDING
19	1	BUSINESS INCOME
21	1	BUILDING
21	1	BUSINESS INCOME
22	1	BUILDING

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.



## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

##### **Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
22	1	BUSINESS INCOME
23	1	BUILDING
23	1	BUSINESS INCOME
24	1	BUILDING
24	1	BUSINESS INCOME
25	1	BUILDING
25	1	BUSINESS INCOME
27	1	BUILDING
27	1	BUSINESS INCOME
28	1	BUSINESS INCOME
29	1	BUSINESS INCOME

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.



## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

##### **Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>	
30	1	BUSINESS INCOME	\$
31	1	BUILDING	
31	1	BUSINESS INCOME	
31	1	BUSINESS PERSONAL PROPERTY	
33	1	BUILDING	
33	1	BUSINESS INCOME	
34	1	BUSINESS INCOME	
35	1	BUILDING	
35	1	BUSINESS INCOME	
37	1	BUILDING	
37	1	BUSINESS INCOME	

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
38	1	BUILDING
38	1	BUSINESS INCOME
47	1	BUILDING
47	1	BUSINESS INCOME
48	1	BUILDING
48	1	BUSINESS INCOME
49	1	BUILDING
49	1	BUSINESS INCOME
52	1	BUILDING
52	1	BUSINESS INCOME
54	1	BUILDING

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
54	1	BUSINESS INCOME
54	1	BUSINESS PERSONAL PROPERTY
54	2	BUILDING
55	1	BUILDING
55	1	BUSINESS INCOME
57	1	BUILDING
57	1	BUSINESS INCOME
59	1	BUILDING
59	1	BUSINESS INCOME
60	1	BUSINESS INCOME
62	1	BUSINESS PERSONAL PROPERTY

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.



## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

**Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
63	1	BUILDING
63	1	BUSINESS INCOME
64	1	BUSINESS PERSONAL PROPERTY
65	1	BUILDING
65	1	BUSINESS INCOME
69	1	BUILDING
69	1	BUSINESS INCOME
69	2	BUILDING
69	2	BUSINESS INCOME
71	1	BUSINESS INCOME
75	1	BUILDING

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.



## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

##### **Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
75	1	BUSINESS INCOME
76	1	BUILDING
76	1	BUSINESS INCOME
77	1	BUILDING
77	1	BUSINESS INCOME
79	1	BUILDING
79	1	BUSINESS INCOME
92	1	BUSINESS PERSONAL PROPERTY
94	1	BUSINESS PERSONAL PROPERTY
100	1	BUILDING
100	1	BUSINESS INCOME

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)



Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FLOOD COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **FLOOD COVERAGE SCHEDULE**

##### **A. Coverage and Coverage Locations**

(Enter an "x" in the appropriate box)

##### **Limit of Insurance**

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

<b>Loc</b>	<b>Bldg</b>	<b>Covered Property</b>
101	1	BUILDING
101	1	BUSINESS INCOME
102	1	BUILDING
102	1	BUSINESS INCOME
103	1	BUILDING
103	1	BUSINESS INCOME
105	1	BUILDING
105	1	BUSINESS INCOME
108	1	BUILDING
108	1	BUSINESS INCOME
111	1	BUILDING

\$

##### **B. Annual Aggregate**

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### **C. Flood Deductible**

\$ 50,000 is the deductible per flood

- D.** ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.

## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.



- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## FLOOD COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### FLOOD COVERAGE SCHEDULE

##### A. Coverage and Coverage Locations

(Enter an "x" in the appropriate box)

##### Limit of Insurance

- ☐ Coverage for Flood applies at all locations and for all Coverages shown in the Declarations

\$ \_\_\_\_\_

- ☒ Coverage applies for Flood at the Locations and Covered Property scheduled below:

\$ SEE FA104S

Loc	Bldg	Covered Property
111	1	BUSINESS INCOME
113	1	BUILDING
113	1	BUSINESS INCOME
116	1	BUILDING
116	1	BUSINESS INCOME
117	1	BUILDING
117	1	BUSINESS INCOME

\$

##### B. Annual Aggregate

The most we will pay for "loss" from flood shall not exceed:

\$ 1,025,785 in any single "coverage term", regardless of the number of floods

##### C. Flood Deductible

\$ 50,000 is the deductible per flood

- D. ☐ **Underlying Insurance Waiver** ("x" box if this condition applies)

See **SECTION L. Other Insurance** for an explanation of this option.

## A. Flood Coverage

1. This endorsement applies to the Covered Property and Coverages for which a Flood Limit of Insurance is shown in the Flood Coverage Schedule or in the Declarations.
2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

### a. Covered Causes of Loss

- (1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
  - (a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
  - (b) Waves, tidal waters, tidal waves (including tsunami); or
  - (c) Water from rivers, ponds, lakes, streams or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary; and

All whether driven by wind or not, including storm surge.

- (2) Mudslides or mudflows, which are caused by flooding as defined in Paragraph **a.(1)** above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.
- (3) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.(1)** and **a.(2)** above, or material carried or otherwise moved by mudslide or mudflow.

All flooding in a continuous or protracted event will constitute a single flood.

## B. Covered Property for Flood

Unless the following property has already been endorsed to become Covered Property, for the purposes of this endorsement only, the

following is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property**:

1. Foundations below the lowest basement floor or the subsurface of the ground; and
2. Underground pipes, flues and drains.

## C. Property Not Covered by Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is amended to include the following:

1. **Property Not Covered** includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
2. **Property Not Covered** includes boat-houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
3. Even if bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from **Property Not Covered** and added under **1. Covered Property** by separate endorsement, this Flood Coverage Endorsement does not apply to such property.

## D. Revised Exclusions

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water** is amended to include the following:

To the extent that a part of this Water exclusion might conflict with coverage provided by this endorsement, that part of the Water exclusion does not apply.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement** is amended to include the following:

To the extent that a tsunami causes the overflow of tidal waters, then Paragraph 1) does not apply.



## E. Exclusions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)** is amended to include the following:

### Pre-Existing Flood or Flood at Inception

We will not pay for any "loss" caused by or resulting from any flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer, and this policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit of Insurance for flood during the term of this policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to "loss" from any flood that begins before or within 72 hours after your request was made.

If the flood is due to the overflow of inland or tidal waters, then the flood is considered to begin when the water first overflows its banks.

### Destabilization of Land

We will not pay for any "loss" caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.

### Cost of Restoring or Remediating Land

As stated in **A. COVERAGE, 2. Property Not Covered**, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this endorsement does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from flood. However, coverage under this endorsement includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause flood.

### Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems

We will not pay for any "loss" caused by discharge of water or waterborne material from sewers, drains, septic systems, or sump pump systems or related equipment unless such discharge results from flood and occurs within 72 hours after the flood recedes.

## Property in the Open

We do not cover any "loss" by flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.

## F. Debris Removal from Flood

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** (and any additional limit for Debris Removal under a LIMIT OF INSURANCE clause or an endorsement) is deleted in its entirety and replaced by the following:

### b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property and other debris that is on the "premises" when such debris is caused by or results from flood. However, we will not pay to remove deposits of mud or earth from the grounds of the "premises".
- (2) We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the "premises" by flood.
- (3) This Debris Removal Coverage does not increase the applicable Limit of Insurance for flood. Therefore, the most we will pay for the total of debris removal and "loss" to Covered Property is the Limit of Insurance for flood that applies to the Covered Property at the affected "premises" covered under this endorsement.

## G. Flood for Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended to include the following:

- (4) With respect to a building or structure covered under this Coverage Extension, the amounts of coverage stated in Paragraphs (1) and (2) of this Coverage Extension do not apply to flood coverage. Instead, the most we will pay for all "loss" to property covered under this Coverage Extension is 10% of the total of all Limits of Insurance for flood coverage as provided under this endorsement. Such coverage does not increase the Limit of Insurance for flood.

- (5) With respect to Flood Coverage, this Coverage Extension does not apply to any building or structure that is not fully enclosed by walls and roof.

#### H. Anti-Stacking of Flood Coverage

For the purposes of this endorsement only with respect to any applicable **Additional Coverages** and **Coverage Extensions** in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**, other than those addressed in **SECTIONS F. and G.** of this endorsement, amounts payable under such other provisions, as set forth therein, do not increase the Limit of Insurance for flood.

#### I. Limit of Insurance for Flood

##### 1. General Information

- a. Flood coverage may be written at a Limit of Insurance that is equal to or less than the Limit of Insurance which applies to other Covered Causes of Loss (e.g., fire) under this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. The Limit of Insurance for flood is shown in the **Flood Coverage Schedule** or in the Declarations. If such Limit of Insurance is not shown, then the Limit of Insurance applicable to fire also applies to flood.

##### 2. Application of Limit and Aggregate

- a. The Limit of Insurance for flood is the most we will pay in a single occurrence of flood for "loss" caused by the flood. If there is more than one flood in a "coverage term" the most we will pay for the total of all "loss" sustained during that "coverage term" and caused by flood is the amount that is identified as the Annual Aggregate for flood as shown in the **Flood Coverage Schedule** or the Declarations.
- b. If the Limit of Insurance and the Annual Aggregate amount are the same, or if there is no amount stated as an Annual Aggregate, then the Limit of Insurance is the most we will pay for the total of all "loss" that is caused by flood in a "coverage term", even if there is more than one occurrence of flood during that "coverage term". Thus, if the first flood does not exhaust the applicable Limit of Insurance, then the balance of that Limit of Insurance is available for subsequent floods.
- c. If a single occurrence of flood begins during one "coverage term" and ends

during the following "coverage term", any Limit of Insurance or Annual Aggregate applicable to the following "coverage term" will not apply to that flood.

- d. If a Blanket Limit of Insurance option is selected on the **Flood Coverage Schedule**, that Blanket Limit of Insurance does not apply separately to the Locations, Covered Property or Coverages listed. The Blanket Limit of Insurance is the most we will pay for all "loss" to the indicated Covered Property/Coverages at the Locations listed, subject to all other applicable provisions of this **Flood Coverage Endorsement**.

##### 3. Ensuing Loss

In the event of covered ensuing direct "loss", for example, direct "loss" caused by fire, explosion and/or sprinkler leakage which results from the flood, the most we will pay, for the total of all "loss" caused by flood, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to fire. We will not pay the sum of the fire and flood Limits.

#### EXAMPLES - ENSUING LOSS

The following two examples use these facts: In both examples assume the policy contains the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (which covers fire) and this **FLOOD COVERAGE ENDORSEMENT**. A building is damaged by flood and by fire which is caused by the flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building is \$800,000. The Limit of Insurance for flood is \$400,000. The flood deductible amount is \$5,000.

##### EXAMPLE #1

The damage due to flood is \$500,000. The damage due to fire is \$500,000.

Payment for flood damage is \$400,000 (\$500,000 damage minus \$5,000 flood deductible = \$495,000; Limit is \$400,000)

Payment for fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the flood Limit)

Total Loss Payment is \$800,000.

##### EXAMPLE #2

The damage due to flood is \$800,000. The damage due to fire is \$100,000.

Payment for flood damage is \$400,000 (\$800,000 damage minus \$5,000 flood deductible = \$795,000; Limit is \$400,000)

Payment for fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### J. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

##### Flood Deductible

- a. The deductible for coverage provided under this endorsement is the deductible applicable to flood as shown in the **Flood Coverage Schedule**.
- b. We will not pay that part of the "loss" that is attributable to any deductible(s) in the National Flood Insurance Program policy.
- c. If flood results in another Covered Cause of Loss and if both Covered Causes of Loss cause "loss", then only the higher deductible applies (e.g., the Flood Deductible or the fire deductible).
- d. The Flood Deductible does not apply to the following:
  - (1) **SECTION A. COVERAGE, 5. Coverage Extensions, h. Glass;** and
  - (2) If endorsed to this policy, the following Coverage Forms:
    - (a) **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
    - (b) **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;** and
    - (c) **EXTRA EXPENSE COVERAGE FORM.**

#### K. Coinsurance

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this endorsement.

#### L. Other Insurance

For the purposes of this endorsement only, **SECTION G. Other Insurance** of the **COM-**

**MERCIAL PROPERTY CONDITIONS** form is deleted in its entirety and replaced by the following:

#### G. Other Insurance

##### 1. Underlying Insurance Requirement

If the "loss" is also covered under a National Flood Insurance Program (NFIP) policy, or if the property is eligible to be written under an NFIP policy but there is no such policy in effect, then we will pay only the amount of "loss" in excess of the maximum limit that is eligible to be written under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for flood as stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

However, this Provision **G.1. Underlying Insurance Requirement** does not apply under the following circumstances:

- a. At the time of "loss", the property is eligible to be written under an NFIP policy but such policy is not in effect due solely to ineligibility of the property at the time this **FLOOD COVERAGE ENDORSEMENT** was written; or
  - b. An NFIP policy is not in effect because we have agreed to write this **FLOOD COVERAGE ENDORSEMENT** without underlying NFIP coverage. There is such an agreement only if the **Flood Coverage Schedule** or the Declarations indicate that the **Underlying Insurance Waiver** applies.
2. If there is other insurance covering the "loss", other than that described in **G.1.** above, we will pay our share of the "loss". Our share is the proportion that the applicable Limit of Insurance under this endorsement bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Flood Coverage Schedule or the Declarations of this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

EARTHQUAKE AND VOLCANIC ERUPTION  
ENDORSEMENT - (SUBLIMIT FORM)

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Coverage and Locations  
(enter an "x" to activate Coverage)

Blanket Limit of Insurance

Deductible

☒ Coverage applies at all Locations shown in the Declarations for all of the following:

SEE FA241S

☐ Building

☐

Business Personal Property

☐

Business Income

☐ Coverage applies at the Locations indicated below for all the following:

☐ Building

☐

Business Personal Property

☐

Business Income

Loc

Bldg

Loc

Bldg

☐ Coverage Applies on a Scheduled basis as follows:

Loc

Bldg

Coverage Applies to:  
(Bldg., BPP, Business Income)

Specific  
Limit of Insurance

Deductible

☐ "Including Masonry Veneer Option"



**A. Application of Earthquake Coverage**

1. This endorsement applies to the Covered Property and Coverages for which an Earthquake - Volcanic Eruption Limit of Insurance is shown in the Schedule of this endorsement.
2. To the extent that the Earth Movement Exclusion of any other form attached to this Coverage Part might conflict with coverage provided under this endorsement, that Earth Movement Exclusion does not apply.

**B. Additional Covered Causes of Loss - Earthquake and Volcanic Eruption**

For the purposes of this endorsement only, the following are added as Covered Causes of Loss to any other Coverage Form endorsed to this Coverage Part:

1. Earthquake, including tremors and after-shocks and any earth sinking, rising, or shifting related to such event.
2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this Coverage Part will not reduce the 168-hour period.

**C. Additional Covered Causes of Loss - Earthquake and Volcanic Eruption - Sprinkler Leakage Only**

If the Declarations indicate that this endorsement covers Earthquake - Sprinkler Leakage Only, then Section **B.** of this endorsement is deleted and replaced by the following:

The following are added as Covered Causes of Loss to any other Coverage Form endorsed to this Coverage Part:

1. Sprinkler Leakage resulting from Earthquake.
2. Sprinkler Leakage resulting from Volcanic Eruption. Volcanic Eruption means the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this Coverage Part will not reduce the 168-hour period.

**D. Amended Exclusions and Provisions**

For the purposes of this endorsement only:

1. The following provisions:

a. **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions and c. Limitations of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION E. EXCLUSIONS of the MORTGAGE INTEREST COVERAGE FORM;**

apply to coverage provided under this endorsement, except as provided in Section **D.2.** and **D.3** below.

2. The following exclusions:

a. **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (2)(k) Collapse of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION E. EXCLUSIONS, 4.a. Collapse of the MORTGAGE INTEREST COVERAGE FORM;**

do not apply to collapse caused by Earthquake or Volcanic Eruption.

3. The following provisions:

a. **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;** and

b. **SECTION H. ADDITIONAL COVERAGE - COLLAPSE of the MORTGAGE INTEREST COVERAGE FORM;**

do not apply to the coverage provided under this endorsement. This endorsement includes coverage for collapse caused by Earthquake or Volcanic Eruption.

4. Any Ordinance or Law Exclusion in this Coverage Part continues to apply with respect to any direct "loss" under this Coverage Part including any direct "loss" under this endorsement, unless Ordinance or Law Coverage is added by endorsement.

**E. Additional Exclusions**

**1. Pre-Existing Earthquake**

We will not pay for direct "loss" caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance.

**2. Tidal Wave or Tsunami**

We will not pay for direct "loss" caused directly or indirectly by tidal wave or tsunami.

mi, even if attributable to an Earthquake or Volcanic Eruption.

### 3. Exterior Masonry Veneer

We will not pay for direct "loss" to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from the Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of "loss" when applying the **Property Damage Deductible** applicable to this endorsement.

This Exclusion **E.3.** does not apply if:

- a. The Schedule of this endorsement indicates that the "Including Masonry Veneer" option applies or the "premises" description in the Declarations specifically states "Including Masonry Veneer"; or
- b. Less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco).

### 4. Cost of Restoring Land

Coverage under this endorsement does not include the cost of restoring or remediate land or the cost of excavations, grading, backfilling or filling.

## F. Coinsurance

For the purposes of this endorsement only, **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety.

## G. Sublimits of Insurance

### 1. Earthquake Limit of Insurance

- a. For this endorsement only, the term Limit of Insurance means the Sublimit of Insurance applicable to Covered Property that suffers direct "loss" from earthquake or volcanic eruption.

Information on the Limit of Insurance applicable to Covered Property for direct "loss" from earthquake or volcanic eruption is provided in the Schedule of this endorsement. This earthquake limit is included in, and not in addition to, the Limit of Insurance shown in the Declarations for that Covered Property.

### 2. Annual Aggregate Limit

- a. The Limit of Insurance for Earthquake - Volcanic Eruption is an annual aggregate limit and is the most we will pay for the total of all direct

"loss" caused by Earthquake or Volcanic Eruption in any one "coverage term", even if there is more than one Earthquake or Volcanic Eruption during that "coverage term". Thus, if the first Earthquake or Volcanic Eruption does not exhaust the Limit of Insurance, then the balance of that Limit is available for a subsequent Earthquake(s) or Volcanic Eruption(s) during that "coverage term".

- b. If a single Earthquake or Volcanic Eruption (as defined in Section **B.** of this endorsement) begins in the "coverage term" and continues or results in additional direct "loss" in a subsequent "coverage term", all direct "loss" is deemed to be sustained in the "coverage term" in which it began.

### 3. Additional Coverages and Coverage Extensions

Amounts payable under **SECTION A. COVERAGE, 4. Additional Coverages** or **5. Coverage Extensions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** do not increase the Limit of Insurance for Earthquake - Volcanic Eruption.

### 4. Limitation

For property or coverage that is subject to a Blanket Limit on Earthquake - Volcanic Eruption (as shown in the Schedule of this endorsement or in the Declarations), we will not pay more than we would pay in the absence of such Blanket Limit. Therefore, the maximum amount payable for any such item of property or coverage is the Limit of Insurance or stated value (as shown in a Statement of Values on file with us) specific to that item of property or coverage for Covered Causes of Loss other than Earthquake - Volcanic Eruption.

### 5. Ensuing Loss

If a Cause of Loss is covered by means of an exception to the Earth Movement Exclusion as in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(b) Earth Movement**, we will also pay for the direct "loss" caused by that other Covered Cause of Loss. But the most we will pay, for the total of all direct "loss" caused by the Earthquake, Volcanic Eruption and other Covered Cause of Loss, is the Limit of Insurance applicable to such other Covered Cause of Loss. We will **not** pay the sum of the two Limits.

## 6. Ensuing Loss - Examples

The two examples below use the following information:

- a. The Coverage Part provides direct coverage for the cause of loss of fire and has this **Earthquake and Volcanic Eruption Endorsement (Sub-limit Form)** attached;
- b. The Limit of Insurance applicable to the building for fire is \$800,000;
- c. The Limit of Insurance for Earthquake and Volcanic Eruption is \$400,000 and the Earthquake Deductible is \$50,000.

### d. Example #1

A building is damaged by Earthquake, and by Fire which is caused by the Earthquake.

The direct damage due to Earthquake is \$500,000. The damage due to Fire is \$500,000.

Payment for Earthquake damage is \$400,000 (\$500,000 damage minus \$50,000 Earthquake deductible = \$450,000; Limit is \$400,000).

Payment for Fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the Earthquake Limit).

Total Loss Payment is \$800,000.

### e. Example #2

The direct damage due to Earthquake is \$800,000. The damage due to Fire is \$100,000.

Payment for Earthquake damage is \$400,000 (\$800,000 damage minus \$50,000 Earthquake deductible = \$750,000; Limit is \$400,000).

Payment for Fire damage is \$100,000 (amount of damage).

Total Loss Payment is \$500,000.

## H. Earthquake Property Damage Deductible

- 1. The provisions of Section **H.3.** of this endorsement are applicable to all Coverage Forms except:
  - a. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
  - b. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;**

### c. **EXTRA EXPENSE COVERAGE FORM;** and

### d. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

- 2. If the Declarations indicate that this endorsement covers Earthquake - Sprinkler Leakage Only, then the deductible set forth in Section **H.3.** of this endorsement does not apply to such coverage. The applicable deductible for such coverage is the same deductible that applies to fire.
- 3. The Deductible, if any, in this Coverage Part is replaced by the following with respect to Earthquake and Volcanic Eruption:

#### a. **All Policies**

- (1) The Deductible provisions apply to each Earthquake or Volcanic Eruption.
- (2) Separate Deductibles are calculated for, and apply to, each building and business personal property at each building and business personal property in the open. Deductibles are separately calculated and applied even if:
  - (a) Two or more buildings sustain direct "loss";
  - (b) Business personal property at two or more buildings sustains direct "loss"; or
  - (c) A building and the personal property in that building sustain direct "loss".
- (3) We will not pay for direct "loss" until the amount of "loss" exceeds the applicable Deductible. We will then pay the amount of "loss" in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Agreed Value Optional Coverage, Additional Condition - Need for Adequate Insurance, or Additional Condition - Need for Full Reports.
- (4) When property is covered under the Coverage Extension for Newly Purchased, Leased or Constructed Property, in determining the amount, if any, that

we will pay for direct "loss", we will deduct an amount equal to a percentage of the value of the property at time of "loss". The applicable percentage for Newly Purchased, Leased or Constructed Property is the highest percentage shown in the Declarations for any "premises".

- (5) If there is direct "loss" caused by Earthquake or Volcanic Eruption, and direct "loss" caused by a Cause of Loss (e.g., fire) that is covered by means of an exception to the Earth Movement Exclusion, then the only applicable Deductible provisions are those stated in this endorsement.
- (6) The Earthquake or Volcanic Eruption deductible can be expressed as a dollar amount or as a percentage of the Earthquake Limit of Insurance shown in the Schedule. If blanket coverage applies, the percentage deductible is applied to the blanket Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**b. Calculation of the Dollar Deductible**

In determining the amount, if any, that we will pay for direct "loss", we will deduct an amount equal to the dollar amount shown in the Schedule, for the applicable (blanket or specific) Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**c. Calculation of the Percentage Deductible**

In determining the amount, if any, that we will pay for direct "loss", we will deduct an amount equal to the percentage that the deductible bears to the applicable (blanket or specific) Earthquake Limit of Insurance shown in the Schedule of this endorsement.

**I. Example - Application of Percentage Deductible in H.3.c.**

The example below uses the following information:

1. The specific Earthquake limits of insurance are:

- (a) Building #1 - \$500,000  
Building #2 - \$500,000
- (b) Business Personal Property at Building #1 - \$250,000  
Business Personal Property at Building #2 - \$250,000

The Deductible is 10%

**2. Deductible Calculation**

Building #1 and Business Personal Property at Building #1 have sustained damage and the amounts of direct "loss" are \$95,000 (Building) and \$5,000 (Business Personal Property).

**(a) Building**

Step (1):  $\$500,000 \times 10\% = \$50,000$   
Step (2):  $\$95,000 \text{ loss} - \$50,000 \text{ deductible} = \$45,000$

**(b) Business Personal Property**

Step (1):  $\$250,000 \times 10\% = \$25,000$

The loss, \$5,000, does not exceed the deductible.

The most we will pay is \$45,000. The remainder of the building "loss", \$50,000, is not covered due to application of the Deductible. There is no "loss" payment for the business personal property.

**J. Business Income and Extra Expense Period of Restoration**

This Section J. is applicable only to the Coverage Forms specified below:

1. **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM;**
2. **BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM;**
3. **EXTRA EXPENSE COVERAGE FORM;** and
4. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business income and Extra Expense.**

The "period of restoration" definition stated in the Coverage Form, or in any endorsement amending the beginning of the "period of restoration", applies to each Earthquake or Volcanic Eruption. A single Earthquake or Volcanic Eruption is defined in Section B. and C. of this endorsement.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

**EARTHQUAKE AND VOLCANIC ERUPTION  
ENDORSEMENT - (SUBLIMIT FORM)  
SUPPLEMENTAL SCHEDULE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

**SUPPLEMENTAL SCHEDULE**

**Blanket Earthquake Sublimit Coverage**

**Coverage and Locations**

(enter an "x" to activate Coverage)

- ☒ The Blanket Earthquake Sublimit applies at all "premises" shown in the Declarations for the following Covered Property:

Blanket Limit of Insurance 10,000,000 Earthquake Deductible 5%

- ☒ Building ☐ Building Including Masonry Veneer ☒ Business Income ☒ Extra Expense  
☒ Business Personal Property ☐ Business Personal Property - Reporting  
☐ Property in the Open

- ☐ The Blanket Earthquake Sublimit applies at the "premises" shown below for the following Covered Property:

Blanket Limit of Insurance \_\_\_\_\_ Earthquake Deductible \_\_\_\_\_

- ☐ Building ☐ Building Including Masonry Veneer ☐ Business Income ☐ Extra Expense  
☐ Business Personal Property ☐ Business Personal Property - Reporting  
☐ Property in the Open

**Loc.**

**Bldg.**

SUPPLEMENTAL SCHEDULE

Scheduled Earthquake Sublimit Coverage

☐ Earthquake Sublimits apply on a scheduled basis as indicated below:

Loc.	Bldg.	Covered Property*	Earthquake Limit of Insurance	Earthquake Deductible
------	-------	-------------------	----------------------------------	--------------------------

\* **Covered Property** should be described as Building, Building Including Masonry Veneer, Business Personal Property, Business Personal Property - Reporting, Business Income, Extra Expense, or Property in the Open.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **A. Nuclear Hazard**

Exclusion (1)(d) **Nuclear Hazard in SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

##### **(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

#### **B. Electrical Current**

Exclusion (2)(a) **Electrical Current in SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

##### **(a) Electrical Current**

Artificially generated electrical or magnetic or energy that damages, disturbs, disrupts or otherwise interferes with any:

- 1) Electrical or electronic wire, device, appliance, system or network; or
- 2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical or magnetic energy includes but is not limited to:

- 1) Electrical current, including arcing;
- 2) Electrical charge produced or conducted by a magnetic field; or
- 3) Pulse.

However, if fire results, we will pay for "loss" caused by that fire.

#### **C. Inventory or Appraisal**

The last paragraph in **SECTION A. COVERAGE, 4. Additional coverages, e. Inventory or Appraisal** is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.



# COMMERCIAL PROPERTY EXPANDED COVERAGE (XC™ ) PLUS ENDORSEMENT

## SUMMARY OF COVERAGE LIMITS

This is a summary of the Coverages and the Limits of Insurance provided by the Commercial Property Expanded Coverage (XC™) Plus Endorsement, **FA 250**, in combination with the Commercial Property Coverage Form, **FM101**, which is included in this policy. **No coverage is provided by this summary.** Refer to endorsement **FA 250** and the Commercial Property Coverage Form, **FM 101**, to determine the scope of your insurance protection.

<b><u>Blanket Coverages:</u></b>	<b><u>Blanket Coverage Limit:</u></b>	<b>Page No. (FA 250):</b>
	\$ 150,000 in total for all loss arising from all Blanket Coverages arising from a single occurrence, except as noted otherwise in the form.	
Accounts Receivable		1
Debris Removal		8
Electronic Data Processing Property (EDP):		3
Duplicate and Backup Electronic Data	\$2,000 Outside of the Blanket Coverage Limit	3
Newly Acquired EDP	\$10,000 Outside of the Blanket Coverage Limit	4
In Transit or Away From Premises	\$10,000 Outside of the Blanket Coverage Limit	4
Worldwide Laptop Coverage		4
Ordinance or Law (Increased Construction Costs and Demolition)		6
Peak Season		8
Personal Property of Others		8
Tenant Move Back Expenses		7
Valuable Papers and Records		6

<b><u>Other Coverages</u></b> (not subject to Blanket Coverage Limit):	<b><u>Limit of Insurance:</u></b>	<b>Page No. (FA 250):</b>
Brands and Labels	\$25,000	11
Business Income and Extra Expense:	\$100,000	1
Business Income From Dependent Properties	\$5,000 (sub-limit, subject to a 24 hour deductible)	1
Interruption of Computer Operations	\$25,000 (sub-limit, subject to a 24 hour deductible)	2



<b><u>Other Coverages</u></b> <b><u>(not subject to Blanket Coverage Limit):</u></b>	<b><u>Limit of Insurance:</u></b>	<b>Page No. (FA 250):</b>
Fine Arts	\$25,000	5
Fire Department Service Charge	\$25,000	7
Fire Protection Equipment Recharge	\$50,000	8
Inflation Guard	4% on all Building Property referenced in the Declarations	11
Non-Owned Building Damage:		10
Loss caused by theft, burglary or robbery	Up to the Business Personal Property (BPP) Limit of Insurance	10
Loss by any other Covered Cause of Loss	\$25,000 or the BPP Limit of Insurance (whichever is less)	10
Ordinance or Law (other than Increased Construction Costs and Demolition)	Subject to the Building Limit of Insurance	6
Outdoor Property	\$25,000 (\$1,000 for any one tree, shrub or plant)	7
Paved Surfaces	\$20,000	9
Personal Effects	\$25,000 (\$1,000 for loss by theft)	7
Pollutant Clean Up and Removal	\$25,000	6
Signs	\$10,000	7
Temperature Change	\$5,000	9
Underground Property	Subject to the Building Limit of Insurance	6
Water Backup from Sewers, Drains or Sumps	\$10,000	7

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**OHIO CHANGES - COMMERCIAL PROPERTY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A.** Paragraphs **c.** and **h.** of the **Loss Payment** Condition are replaced by the following, except as provided in Paragraph **B.**:

- c.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- h.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered "loss" or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and
  - (a) An appraisal award has been made; or
  - (b) We have reached an agreement with you on the amount of "loss" that was in dispute.

- B.** Paragraph **A.** does not apply to the **Loss Payment** Loss Condition in the following forms:

1. Business Income (And Extra Expense) Coverage Form;
2. Business Income (Without Extra Expense) Coverage Form;

3. Extra Expense Coverage Form; and
4. Leasehold Interest Coverage Form; and
5. Mortgage Interest Coverage Form.

In the forms listed above, the **Loss Payment** Loss Condition is replaced by the following:

**LOSS PAYMENT**

- a.** We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- b.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered "loss" or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and

- (a) An appraisal award has been made; or
- (b) We have reached an agreement with you on the amount of "loss" that was in dispute.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARIZONA CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **A. Additional Coverages**

For exposures located in the state of Arizona, the **Fire Department Service Charge**, Additional Coverage does not apply.

- B. Exclusion (1)(d) Nuclear Hazard** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)** is deleted in its entirety and replaced by the following:

##### **(1)(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- C. Exclusion 2.e. Nuclear Hazard** in **EXCLUSIONS - Coverages A. AND B.** of the **MORTGAGE INTEREST COVERAGE FORM** is deleted in its entirety and replaced by the following:

##### **2.e. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- D. The Concealment, Misrepresentation or Fraud** Condition is replaced by the following:

We will not pay for any "loss" in any case involving misrepresentations, omissions, concealment of facts or incorrect statements:

1. That are fraudulent;
2. That are material either to the acceptance of the risk, or to the hazard assumed by us; and
3. Where, if the true facts had been known to us as required either by the application for the policy or otherwise, we in good faith would either:
  - a. Not have issued the policy;
  - b. Not have issued the policy in as large an amount; or
  - c. Not have provided coverage with respect to the hazard resulting in the "loss".

## COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### A. Concealment, Misrepresentation or Fraud

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### B. Control of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of direct "loss", the breach of condition does not exist.

### C. Insurance Under Two or More Coverages

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

### D. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct "loss" occurred.

### E. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### F. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### G. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered "loss". Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same "loss", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. **However, we will not reimburse any deductible or difference between Actual Cash Value and Replacement Cost valuations.** We will not pay more than the applicable Limit of Insurance.

### H. Policy Period, Coverage Territory

Under this Coverage Part:

1. We cover "loss" commencing:
  - a. During the policy period shown in the Declarations; and
  - b. Within the coverage territory.
2. The coverage territory:
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada.

### I. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after direct "loss" to impair them. But you may waive your rights against another party in writing:

1. Prior to a direct "loss" to your Covered Property or Covered Income.
2. After a direct "loss" to your Covered Property or Covered Income only if, at time of direct "loss", that party is one of the following:

**a.** Someone insured by this insurance;

**b.** A business firm:

(1) Owned or controlled by you; or

(2) That owns or controls you; or

**c.** Your tenant.

This will not restrict your insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE\***

<b>Loc</b>	<b>Bldg</b>	<b>Windstorm or Hail Percentage Deductible</b>
76	1	5%

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

#### **WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE**

The Windstorm or Hail Deductible, as shown in the Schedule of this endorsement and set forth in this endorsement, applies to covered "loss" caused directly or indirectly by Windstorm or Hail. This deductible applies to each occurrence of Windstorm or Hail. Nothing in this endorsement implies or affords coverage for any "loss" that is excluded under the terms of the Water Exclusion or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Flood Coverage Endorsement, (or if you have a flood insurance policy), a separate Flood Deductible applies to "loss" attributable to Flood, in accordance with the terms of that endorsement or policy.

As used in this endorsement, the terms specific insurance and blanket insurance have the following meanings: Specific insurance covers each item of Covered Property (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more types of Covered Property (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance. Items of Covered Property and corresponding Limit of Insurance are shown in the Declarations.

#### **WINDSTORM OR HAIL DEDUCTIBLE CALCULATIONS**

##### **A. Calculation of the Deductible - All Policies**

A Deductible is calculated separately for and applies separately to:

1. Each building that sustains "loss";
2. The business personal property in each building at which there is "loss" to business personal property; and
3. Business personal property in the open.

If there is damage to both a covered building and covered business personal property in the same building, separate deductibles apply to the building and to business personal property.

We will not pay for "loss" until the amount of "loss" exceeds the applicable Deductible. We will then pay the amount of "loss" in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Agreed Value Optional Coverage, and any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

When property is covered under the Coverage Extension for Newly Purchased, Leased or Constructed Property: In determining the amount, if any, that we will pay for "loss", we will deduct an amount equal to a percentage



of the value(s) of the property at time of "loss". The applicable percentage for Newly Purchased, Leased or Constructed Property is the highest percentage shown in the Schedule of this endorsement for any "premises".

**B. Calculation of the Deductible - Specific Insurance Other than Builders Risk**

**Property Not Subject to Value Reporting Forms**

In determining the amount, if any, that we will pay for "loss", we will deduct an amount equal to the percentage deductible (shown in the Schedule of this endorsement) of the Limit of Insurance applicable to the property that has sustained "loss".

**Property Subject to Value Reporting Forms**

In determining the amount, if any, that we will pay for "loss", we will deduct an amount equal to the percentage deductible (shown in the Schedule of this endorsement) of the value(s) of the property that has sustained "loss". The value(s) to be used are the latest value(s) shown in the most recent Report of Values on file with us.

However:

1. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
2. If the first Report of Values is not filed with us prior to direct "loss", we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

**C. Calculation of the Deductible - Blanket Insurance Other than Builders Risk**

**Property Not Subject to Value Reporting Forms**

In determining the amount, if any, that we will pay for "loss", we will deduct an amount equal to the percentage deductible (shown in the Schedule of this endorsement) of the value(s) of the property that has sustained "loss". The value(s) to be used are those shown in the most recent Statement of Values on file with us.

**Property Subject to Value Reporting Forms**

In determining the amount, if any, that we will pay for property that has sustained "loss", we will deduct an amount equal to the percentage deductible (shown in the Schedule of this endorsement) of the value(s) of that property as of the time of "loss".

However:

1. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
2. If the first Report of Values is not filed with us prior to direct "loss", we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

**D. Calculation of the Deductible - Builders Risk Insurance**

**Builders Risk Other than Reporting Form**

In determining the amount, if any, that we will pay for property that has sustained "loss", we will deduct an amount equal to the percentage deductible (shown in the Schedule of this endorsement) of the "actual cash value(s)" of that property as of the time of "loss".

**Builders Risk Reporting Form**

In determining the amount, if any, that we will pay for "loss", we will deduct an amount equal to the percentage deductible (shown in the Schedule of this endorsement) of the value(s) of the property that has sustained "loss". The value(s) to be used are the "actual cash value(s)" shown in the most recent Report of Values on file with us.

However:

1. If the most recent Report of Values shows less than the "actual cash value(s)" of the property on the report date, we will determine the deductible amount as a percentage of the "actual cash value(s)" as of the report date.
2. If the first Report of Values is not filed with us prior to direct "loss", we will determine the deductible amount as a percentage of the "actual cash value(s)" of the property as of the time of "loss".

**EXAMPLES - APPLICATION OF DEDUCTIBLE**

**Example #1 - Specific Insurance (B.1.)**

The amount of "loss" to the damaged building is \$60,000.

The value of the damaged building at time of "loss" is \$100,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the coinsurance requirement is \$80,000 (80% of \$100,000).

The **actual** Limit of Insurance on the damaged building is \$70,000.

The Deductible is 1%.

Step (1):  $\$70,000 \div \$80,000 = .875$   
 Step (2):  $\$60,000 \times .875 = \$52,500$   
 Step (3):  $\$70,000 \times 1\% = \$700$   
 Step (4):  $\$52,500 - \$700 = \$51,800$

The most we will pay is \$51,800. The remainder of the "loss", \$8,200, is not covered due to the Coinsurance penalty for inadequate insurance (Steps (1) and (2)) and the application of the Deductible (Steps (3) and (4)).

#### Example #2 - Specific Insurance (B.1.)

The amounts of "loss" to the damaged property are \$60,000 (building) and \$40,000 (business personal property in building).

The value of the damaged building at time of "loss" is \$100,000. The value of the business personal property in that building is \$80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the coinsurance requirement are \$80,000 (80% of \$100,000) for the building and \$64,000 (80% of \$80,000) for the business personal property.

The **actual** Limit of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the business personal property (therefore no Coinsurance penalty).

The Deductible is 2%.

#### Building

Step (1):  $\$80,000 \times 2\% = \$1,600$   
 Step (2):  $\$60,000 - \$1,600 = \$58,400$

#### Business Personal Property

Step (1):  $\$64,000 \times 2\% = \$1,280$   
 Step (2):  $\$40,000 - \$1,280 = \$38,720$

The most we will pay is \$97,120. That portion of the total "loss" not covered due to application of the Deductible is \$2,880.

#### Example #3 - Blanket Insurance (C.1.)

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000) and Building #3 (\$1,000,000), as shown in the most recent Statement of Values on file with us, is \$2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is \$1,800,000 (90% of \$2,000,000).

The **actual** Blanket Limit of Insurance covering Buildings #1, #2 and #3, shown in the Declarations, is \$1,800,000 (therefore no Coinsurance penalty).

Buildings #1 and #2 have sustained damage; the amounts of "loss" to these buildings are \$40,000 (Building #1) and \$20,000 (Building #2).

The Deductible is 2%.

#### Building #1

Step (1):  $\$500,000 \times 2\% = \$10,000$   
 Step (2):  $\$40,000 - \$10,000 = \$30,000$

#### Building #2

Step (1):  $\$500,000 \times 2\% = \$10,000$   
 Step (2):  $\$20,000 - \$10,000 = \$10,000$

The most we will pay is \$40,000. That portion of the total "loss" not covered due to application of the Deductible is \$20,000.

#### Example #4 - Blanket Insurance (C.1.)

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000), Business Personal Property at Building #1 (\$250,000) and Business Personal Property at Building #2 (\$250,000), as shown in the most recent Statement of Values on file with us, is \$1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is \$1,350,000 (90% of \$1,500,000).

The **actual** Blanket Limit of Insurance covering Buildings #1 and #2 and Business Personal Property at Buildings #1 and #2, shown in the Declarations, is \$1,350,000. Therefore there is no Coinsurance penalty.

Building #1 and Business Personal Property at Building #1 have sustained damage; the amounts of "loss" are \$95,000 (Building) and \$5,000 (Business Personal Property).

The Deductible is 5%.

#### Building

Step (1):  $\$500,000 \times 5\% = \$25,000$   
 Step (2):  $\$95,000 - \$25,000 = \$70,000$

#### Business Personal Property

Step (1):  $\$250,000 \times 5\% = \$12,500$

The "loss", \$5,000, does not exceed the Deductible.

The most we will pay is \$70,000. The remainder of the building "loss", \$25,000, is not covered due to application of the Deductible. There is no "loss" payment for the business personal property.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## MULTIPLE DEDUCTIBLE FORM

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

Loc. Number	Bldg. Number	Earthquake Deductible*	Flood Deductible**	Deductible (Except Earthquake or Flood)
1	1			25,000 BPP
1	1			5,000 BUILDING
2	1			5,000 BUILDING
3	1			5,000 BUILDING
4	1			5,000 BUILDING
5	1			5,000 BUILDING
6	1			5,000 BUILDING
7	1			5,000 BUILDING
8	1			5,000 BUILDING
9	1			5,000 BUILDING
10	1			5,000 BUILDING
11	1			5,000 BUILDING
12	1			5,000 BUILDING
13	1			5,000 BUILDING
17	1			5,000 BUILDING
19	1			5,000 BUILDING
21	1			5,000 BUILDING
22	1			5,000 BUILDING
23	1			5,000 BUILDING
24	1			5,000 BUILDING
25	1			5,000 BUILDING
26	1			5,000 BUILDING
27	1			5,000 BUILDING
31	1			25,000 BPP
31	1			5,000 BUILDING
33	1			5,000 BUILDING
35	1			5,000 BUILDING

\* Per the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**

\*\* Per the **FLOOD COVERAGE ENDORSEMENT**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

#### **Multiple Deductibles**

**a.** In the event that "loss" occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule in the column titled "Deductible - Except Earthquake or Flood" or in the Declarations, will apply. However, if less than 50% of the aggregate amount of "loss" from that occurrence occurs at the building with the highest deductible, the next high-

est deductible among the buildings in the Schedule or Declarations that has suffered "loss" should be applied.

**b.** Paragraph **a.** of this endorsement does not apply to any:

- (1) Earthquake deductible applicable to the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**, or
- (2) Flood deductible applicable to the **FLOOD COVERAGE ENDORSEMENT**.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## MULTIPLE DEDUCTIBLE FORM

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

Loc. Number	Bldg. Number	Earthquake Deductible*	Flood Deductible**	Deductible (Except Earthquake or Flood)
37	1			5,000 BUILDING
38	1			5,000 BUILDING
47	1			5,000 BUILDING
48	1			5,000 BUILDING
49	1			5,000 BUILDING
52	1			5,000 BUILDING
54	1			25,000 BPP
54	1			5,000 BUILDING
54	2			5,000 BUILDING
55	1			5,000 BUILDING
57	1			5,000 BUILDING
59	1			5,000 BUILDING
62	1			25,000 BPP
63	1			5,000 BUILDING
64	1			25,000 BPP
65	1			5,000 BUILDING
69	1			5,000 BUILDING
69	2			5,000 BUILDING
75	1			5,000 BUILDING
76	1			5,000 BUILDING
77	1			5,000 BUILDING
79	1			5,000 BUILDING
92	1			25,000 BPP
94	1			25,000 BPP
100	1			5,000 BUILDING
101	1			5,000 BUILDING
102	1			5,000 BUILDING

\* Per the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**

\*\* Per the **FLOOD COVERAGE ENDORSEMENT**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

#### **Multiple Deductibles**

a. In the event that "loss" occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule in the column titled "Deductible - Except Earthquake or Flood" or in the Declarations, will apply. However, if less than 50% of the aggregate amount of "loss" from that occurrence occurs at the building with the highest deductible, the next high-

est deductible among the buildings in the Schedule or Declarations that has suffered "loss" should be applied.

b. Paragraph a. of this endorsement does not apply to any:

- (1) Earthquake deductible applicable to the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**, or
- (2) Flood deductible applicable to the **FLOOD COVERAGE ENDORSEMENT**.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MULTIPLE DEDUCTIBLE FORM**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **SCHEDULE**

<b>Loc. Number</b>	<b>Bldg. Number</b>	<b>Earthquake Deductible*</b>	<b>Flood Deductible**</b>	<b>Deductible (Except Earthquake or Flood)</b>
103	1			5,000 BUILDING
105	1			5,000 BUILDING
108	1			5,000 BUILDING
111	1			5,000 BUILDING
113	1			5,000 BUILDING
116	1			5,000 BUILDING
117	1			5,000 BUILDING

\* Per the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**

\*\* Per the **FLOOD COVERAGE ENDORSEMENT**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

#### **Multiple Deductibles**

a. In the event that "loss" occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule in the column titled "Deductible - Except Earthquake or Flood" or in the Declarations, will apply. However, if less than 50% of the aggregate amount of "loss" from that occurrence occurs at the building with the highest deductible, the next high-

est deductible among the buildings in the Schedule or Declarations that has suffered "loss" should be applied.

b. Paragraph a. of this endorsement does not apply to any:

(1) Earthquake deductible applicable to the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT** or the **EARTHQUAKE AND VOLCANIC ERUPTION ENDORSEMENT - (SUB-LIMIT FORM)**, or

(2) Flood deductible applicable to the **FLOOD COVERAGE ENDORSEMENT**.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

#### SCHEDULE

Loc	Bldg	Loss Payee Name and Address:	Applicable Clause (Enter B, C, D or E):
92	1		B
GREAT AMERICA FINANCIAL SERVICES 625 1ST ST SE CEDAR RAPIDS, IA 52401-2030			

- A.** Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

For the purposes of this endorsement only, the following are added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 4. Loss Payment**, as indicated in the Schedule of this endorsement.

**B. Loss Payable**

For Covered Property in which both you and a Loss Payee shown in the Schedule of this endorsement have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

**C. Lender's Loss Payable**

1. The Loss Payee shown in the Schedule of this endorsement is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- a. Warehouse receipts;
- b. A contract for deed;

- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

2. For Covered Property in which both you and a Loss Payee have an insurable interest:

- a. We will pay for covered "loss" to each Loss Payee in their order of precedence, as interests may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any "loss" and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
- a. 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.

4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **D. Contract of Sale**

1. The Loss Payee shown in the Schedule of this endorsement is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
- a. Adjust losses with you; and
- b. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.
3. For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

#### **E. Building Owner Loss Payable Clause**

1. The Loss Payee shown in the Schedule of this endorsement is the owner of the building in which you are a tenant.
2. We will adjust losses to the building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
3. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****NORTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY**

**A.** When this endorsement is attached to the STANDARD PROPERTY POLICY **CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.

**B.** The **Legal Action Against Us** Condition is deleted in its entirety and replaced by the following:

**Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within three years after the date on which the direct physical "loss" occurred.

**C.** Paragraphs **d.** and **e.** of the **Replacement Cost** Optional Coverage are deleted in their entirety and replaced by the following:

**d.** We will not pay on a replacement cost basis for any "loss":

- (1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same purpose as the lost or damaged property:

- (a) On the described "premises"; or
- (b) At some other location in the State of North Carolina; and

- (2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".

**e.** We will not pay more for "loss" on a replacement cost basis than the least of:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The cost to replace the lost or damaged property with other property;
  - (a) Of comparable material and quality; and

(b) Used for the same purpose; or

- (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

The above provisions, **d.** and **e.**, do not apply to the Standard Property Policy **CP 00 99**.

**D.** The **Appraisal Loss Condition** is deleted in its entirety and replaced by the following:

**Appraisal**

If we and you disagree on the value of the property, the amount of Net Income and operating expense, or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. You and we must notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If the appraisers do not agree on the selection of an umpire within 15 days, they must request selection of an umpire by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the amount of Net Income and operating expense, and the amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be the appraised value of the property, the amount of Net Income and operating expense, and the amount of "loss".

Each party will:

- a.** Pay its chosen appraiser; and
- b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we still retain our right to deny the claim.

**E.** Exclusion (1)(d) **Nuclear Hazard** in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)** is deleted in its entirety and replaced by the following:



**(1)(d) Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- F.** Exclusion **2.e. Nuclear Hazard** in **EXCLUSIONS - COVERAGES A. AND B.** of the **MORTGAGE INTEREST COVERAGE FORM** is deleted in its entirety and replaced by the following:

**2.e. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" caused by that fire.

- G.** The following condition is added:

**Time Period for Performance of Contractual Obligations**

Whenever a state of disaster is proclaimed for the state of North Carolina or for an area within this state in accordance with state law, or whenever a major disaster is declared for North Carolina or an area within this state by the President of the United States under the Stafford Act or its successors, the following provisions apply:

- 1.** If the Covered Property that has sustained "loss" is located within the geographic area designated in the disaster declaration or proclamation, the time period for your submission of a proof of loss (as set forth in the Duties in the Event of Loss or Dam-

age Condition or similar provision in this Coverage Part or in an endorsement attached to this Coverage Part) shall be extended by a time period not exceeding the earlier of:

- a.** The expiration of the disaster proclamation or declaration and all renewals of the proclamation; or
- b.** The expiration of the Insurance Commissioner's order declaring action for the specific disaster, as determined by the Insurance Commissioner.

- 2.** Except as otherwise provided in Paragraph **1.**, the following applies if you or we reside in or are located in the geographic area designated in the disaster declaration or proclamation:

If this Coverage Part or an endorsement attached to this Coverage Part imposes a time limitation on you or us for a performance of:

- a.** A premium or debt payment; or
- b.** Any other duty or any act (including transmittal of information),

under the terms of this Coverage Part and such performance would be required during the time period prior to the expiration of the Insurance Commissioner's order declaring action for the specific disaster, as determined by the Insurance Commissioner, your performance and our performance is subject to a deferral period of 30 days. The Commissioner of Insurance may extend such deferral period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**KANSAS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

- A.** In **COMMERCIAL PROPERTY CONDITIONS; D. Legal Action Against Us** is deleted in its entirety and replaced by the following:

**LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 5 years after the date on which the direct physical "loss" occurred.

- B.** The following applies when coverage is provided for townhouse buildings and structures:

1. The following is added:

The Association of Townhouse Owners includes every person or organization who is an owner of a fee simple title to a townhouse unit, for which insurance is provided by this policy.

2. In **COMMERCIAL PROPERTY CONDITIONS; B. Control of Property** is deleted in its entirety and replaced by the following:

The following will not affect this insurance if beyond your direction or control:

- a. Any act or neglect by any occupants or owners of the buildings; or
- b. Your failure to comply with any warranty or condition with regard to any portion of your premises.

If you violate a condition of this Coverage Part, we will not pay for "loss" at the involved location. But your coverage will continue for other locations at which the violation does not apply.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM SECTION A. COVERAGE 2., Property Not Covered**, is amended to include the following:

Household and personal property, unless owned by the Association of Townhouse Owners.

4. **BUILDING AND PERSONAL PROPERTY FORM, Section E. Additional Conditions, 2. Mortgage Holders**, Paragraph **b.** is deleted in its entirety and replaced by the following:

2. We will pay for covered "loss" to buildings or structures to:

- (1) The Insurance Trustee for the benefit of each Townhouse Owner;
- (2) The holder of each first mortgage; and
- (3) The Association;

as interests may appear and as shown in the Townhouse Declaration.

- C.** The **Appraisal Loss Condition** is replaced by the following:

If, after a claim has been made, a dispute arises because we and you disagree on the value of the property or the amount of "loss", either may make a written request for an appraisal of the "loss". **However, an appraisal will be made only if both, we and you agree, voluntarily, to have the "loss" appraised.** If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. **A decision agreed to by any two will be binding.** Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expense of the appraisal and umpire equally.

If there is an appraisal, we will retain our right to deny the claim.

- D.** The following is added:

The term "Actual Cash Value" means the amount it would cost to repair or replace Covered Property with material of like kind and quality, less allowance for deterioration and depreciation, including obsolescence.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - RIGHTS OF RECOVERY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

- A.** Unless Section **B.** of this endorsement applies, **COMMERCIAL PROPERTY CONDITIONS, I. Transfer of Rights of Recovery Against Others to Us** is deleted in its entirety and replaced by the following:

#### **Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a "loss" to your Covered Property or Covered Income.
2. After a "loss" to your Covered Property or Covered Income only if, at time of "loss", that party is one of the following:
  - a. Someone insured by this insurance;
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you; or
  - c. Your tenant.

This will not restrict your insurance.

- B.** In **MORTGAGE INTEREST COVERAGE FORM, SECTION K. CONDITIONS APPLICABLE TO ALL COVERAGES, 6. Transfer of Rights of Recovery Against Others to Us** is deleted in its entirety and replaced by the following:

#### **Transfer of Rights of Recovery Against Others to Us**

- a. Under **COVERAGES A** and **B**, if any person or organization to or for whom we make payment under this Coverage Part

has rights to recover damages from another, those rights are transferred to us to the extent of our payment. Our right to recover damages from another may be enforced even if the person or organization to or for whom we make payment has not been fully compensated for damages.

The person or organization to or for whom we make payment must do everything necessary to secure our rights and must do nothing after "loss" to impair them. But you may waive your rights against another party in writing:

- (1) Prior to a "loss" to your Covered Property.
- (2) After a "loss" to your Covered Property only if, at time of "loss", that party is one of the following:
  - (a) Someone insured by this insurance;
  - (b) A business firm:
    - 1) Owned or controlled by you; or
    - 2) That owns or controls you; or
  - (c) Your tenant.

This will not restrict your insurance.

- b. Under **COVERAGES C** and **D**, if you have rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. Our right to recover damages may be enforced even if you have not been fully compensated for damages.

You must do nothing after "loss" to impair our rights to recover all or part of any payment we have made under this Coverage Part. At our request, you will bring "suit" or transfer those rights to us and help us enforce them.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CINCIPLUS®**  
**COMMERCIAL PROPERTY XC+®**  
**(EXPANDED COVERAGE PLUS) ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART**

The insurance coverage and Limits of Insurance provided by this endorsement are excess of, and apply in addition to, any similar or identical coverage provided by any other endorsement attached to this Coverage Part, or by any other Coverage Part forming a part of the policy of insurance of which this Coverage Part forms a component.

**SCHEDULE**

<b>Blanket Coverage Limit</b>	<b>\$150,000</b>
Applicable only to those coverages subject to the Blanket Coverage Limit, as indicated in this endorsement	

**A. Accounts Receivable**

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the second paragraph in **(3)(b) Away From Your Premises** is deleted in its entirety and replaced by the following:

This limit of insurance for Away From Your Premises coverage is not included within the Blanket Coverage Limit and is separate and in addition to the Blanket Coverage Limit.

2. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Accounts Receivable Coverage Extension is the Blanket Coverage Limit as provided in Section X of this endorsement.

**B. Business Income and Extra Expense**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVER-**

**AGE, 5. Coverage Extensions, b. Business Income and Extra Expense** is modified as follows:

1. **Business Income From Dependent Properties**

- a. For **Business Income from Dependent Properties** only, Paragraph **b.(1)** is deleted in its entirety and replaced by the following:

- (1) **Business Income From Dependent Properties**

We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to "dependent property" caused by or resulting from any Covered Cause of Loss.

However, coverage under this endorsement does not apply when the only "loss" to "dependent property" is "loss" to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains "loss" to "electronic data" and other property, coverage under this endorsement will not

continue once the other property is repaired, rebuilt, or replaced.

**b. Limit of Insurance for Dependent Properties**

The most we will pay for loss in one occurrence under **Business Income From Dependent Properties** is \$5,000. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

**c. Loss Determination for Dependent Properties**

For **Business Income from Dependent Properties** only, the following is added:

**Resumption of Operations**

We will reduce the amount of your:

- (1) "Business Income" loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available
  - (a) Source of materials; or
  - (b) Outlet for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

**d. Definitions**

**SECTION G. DEFINITIONS** is amended to include the following definitions:

- (1) "Dependent property" means property operated by others whom you depend on to:
  - (a) Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:
    - 1) Water Supply services;
    - 2) Power Supply services; or
    - 3) Communication supply services, including services relating to internet access or access to any electronic network;

- (b) Accept your products or services;
- (c) Manufacture products for delivery to your customers under contract of sale; or
- (d) Attract customers to your business.

- (2) The "Period of restoration" Definition, with respect to "dependent property", is replaced by the following:

"Period of restoration" means the period of time that:

- (a) Begins 24 hours after the time of direct "loss" caused by or resulting from any Covered Cause of Loss at the "premises" of the "dependent property"; and
- (b) Ends on the date when the property at the "premises" of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this Coverage Part will not cut short the "period of restoration".

The most we will pay is the **Business Income From Dependent Properties** sub-limit of insurance. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

**2. Interruption of Computer Operations**

- a. For **Interruption of Computer Operations** only, all references to \$2,500 in **b. Business Income and Extra**

**Expense**, Paragraph (7)(c) are deleted and replaced by \$25,000.

- b. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended as follows:

With respect to a "suspension" of "operations" caused only by an interruption in computer operations due to the destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, Paragraph a. of Definition 11. "Period of restoration" is deleted and replaced by the following:

- a. Begins 24 hours after the time of direct "loss".

3. **Business Income and Extra Expense Revised Limits of Insurance**

The last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$100,000.

C. **Electronic Data Processing Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended by adding the following:

**Electronic Data Processing Property**

(1) **Covered Property**

You may extend the Coverage provided by this Coverage Part to apply to direct "loss" to Covered Property consisting of your:

- (a) Data processing equipment;
- (b) Air conditioning and other electrical equipment, used exclusively with your data processing equipment;
- (c) Programming documentation and instruction manuals;
- (d) "Electronic data", but only as excess over what is valid and collectible under **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**;
- (e) Media, meaning materials on which "electronic data" is recorded, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and

compact discs used in processing units; and

- (f) Property of others in your care, custody or control that is similar to property described in (1)(a) through (e) above.

(2) **Property Not Covered**

This Coverage Extension does not apply to:

- (a) Accounts, records, documents and other "valuable papers and records" unless they are programming documentation or instruction manuals.

However, we will cover these items once they are converted to "electronic data" form.

- (b) "Electronic data" or media that cannot be replaced with similar property of equal quality.
- (c) Your property that you have rented or leased to someone else and that property is not at your "premises".
- (d) Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- (e) "Production equipment".

(3) **Exclusions**

- (a) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

- 1) **Exclusion (1)(c) Governmental Action**;
- 2) **Exclusion (1)(d) Nuclear Hazard**;
- 3) **Exclusion (1)(f) War and Military Action**;
- 4) **Exclusion (2)(b) Delay or Loss of Use**;
- 5) **Exclusion (2)(d) Miscellaneous Causes of Loss, 1) Wear and tear**;
- 6) **Exclusion (2)(h) Dishonest or Criminal Acts**;
- 7) **Exclusion (3)(b) Acts or Decisions**; and
- 8) **Exclusion (3)(c) Defects, Errors and Omissions**.



- (b) In addition to Paragraph (3)(a) of this Coverage Extension, we will not pay for the following:

Hidden or latent defect, gradual deterioration, and depreciation. However, if direct "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss".

**(4) Duplicate and Backup "Electronic Data"**

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to duplicate and backup "electronic data" that you store at a "premises" not described in the Declarations providing such "electronic data" is not covered by another policy. The most we will pay for loss in any one occurrence is \$2,000. This Limit of Insurance is in addition to the other limits provided by this Coverage Extension.

**(5) Newly Purchased Electronic Data Processing Property**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is deleted in its entirety and replaced by the following:

- (a) We will pay for direct "loss" from a Covered Cause of Loss to newly purchased or leased Covered Property described in Paragraph (1) of this Coverage Extension while at:

- 1) Locations that are newly purchased or leased;
- 2) Your newly constructed buildings or additions at a "premises"; or
- 3) Any "premises" described in the Declarations.

- (b) Insurance under this Coverage Extension for such newly acquired property, or Covered Property already insured by this Coverage Extension which is moved to a newly acquired location, will end when any of the following first occurs:

- 1) This Coverage Part expires;
- 2) 90 days pass from the date you acquire your new property or move Covered Property to a newly acquired location; or
- 3) You report values to us.

The most we will pay for loss in any one occurrence is \$10,000. This Limit of Insurance

is in addition to the other limits provided by this Coverage Extension.

**(6) In Transit or Away From Premises**

**SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs or Trade shows, m. Property Off Premises and p. Transportation** are deleted in their entirety and replaced by the following:

- (a) You may extend the insurance provided by this Coverage Extension to apply to Covered Property as described in Paragraph (1):

- 1) While in or on a vehicle, including loading and unloading; or
- 2) While at a location that is not your "premises".

- (b) This **In Transit or Away From Premises** coverage does not apply per location.

The most we will pay for loss in any one occurrence is \$10,000. This Limit of Insurance is not in addition to the other limits provided by this Coverage Extension.

**(7) Worldwide Laptop Coverage**

- (a) You may extend the insurance provided by this Coverage Extension to apply to your laptops, notebooks and similar highly portable personal computers, including their peripherals and accessories, while such specific Covered Property is:

- 1) In your or your employee's care, custody and control;
- 2) Not located at a "premises" you own or lease; and
- 3) Not located in the coverage territory stated in Paragraph 2. of the Commercial Property Condition **H. Policy Period, Coverage Territory**, provided that location is not under a United States Department of State trade or travel restriction at the time of "loss".

- (b) This **Worldwide Laptop Coverage** does not apply per location.

**(8) Electronic Data Processing Property Deductible**

**SECTION C. DEDUCTIBLE** is amended to include the following:

We will not pay for direct "loss" in any one occurrence unless the amount of "loss" exceeds the Deductible shown in the Declarations. We will then pay the amount of

"loss" in excess of the Deductible, up to the Limit of Insurance provided by this Coverage Extension.

However, direct "loss" caused by or resulting from any of the following Causes of Loss will have the greater of the Deductible shown in the Declarations or \$1,000 as the applicable deductible:

- a. "Loss" caused by faulty construction, error in design or processing, or service or work upon the data processing system;
- b. "Loss" resulting in mechanical breakdown, short circuiting, blowout, or other electrical damage, unless caused by lightning; or
- c. "Loss" caused by or resulting from interruption of power supply, power surge, blackout or brownout.

**(9) Electronic Data Processing Property Valuation**

**SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

**7. Valuation of Electronic Data Processing Property**

In the event of direct "loss", we will determine the value of Covered Property as described in Paragraph (1) of this Coverage Extension as follows:

- a. Except for "electronic data":
  - (1) If you repair or replace this Electronic Data Processing property within a reasonable time following the direct "loss", the property will be valued at the full cost of repair or replacement.

However, the most we will pay is the least of the following:

  - (a) The actual cost to repair or restore the property with materials of like kind and quality;
  - (b) The cost of replacing that property with property of similar quality and function;
  - (c) The amount you actually and necessarily spend to repair or replace the property; or

(d) The Limit of Insurance applicable to the property.

(2) If you do not repair or replace this property within a reasonable time following a direct "loss", the most we will pay will be the least of the following:

- (a) "Actual cash value" of the property;
- (b) "Actual cash value" of repairs with material of like kind and quality; or
- (c) The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in money.

In the event of "loss", the value of property will be determined at the time of direct "loss".

b. For "electronic data":

We will not pay more than the actual reproduction costs of your "electronic data". If you do not replace or reproduce your "electronic data" following the "loss", the most we will pay is the cost of blank media as described in Paragraph C.(1)(e) of this Coverage Extension.

**(10) Electronic Data Processing Property Additional Definition**

The following definition is added to **SECTION G. DEFINITIONS** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

"Production equipment" means any machinery and related components, including any integrated or dedicated computer system, which is used, or can be used, to produce or process other tangible property.

The most we will pay in total for all loss in any one occurrence for coverages described in Paragraphs C.(1), (6), and (7) is the Blanket Coverage Limit as provided in Section X of this endorsement.

**D. Fine Arts**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY**

**COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Fine Arts**

(1) We will pay for direct "loss" to paintings, etchings, pictures, tapestries, art glass windows, and other bona fide works of art of rarity, historical value, or artistic merit. The direct "loss" must be caused by or result from a Covered Cause of Loss.

(2) **SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

We will determine the value of Covered Property in the event of direct "loss" at the market value at the time of "loss".

The most we will pay for loss in any one occurrence under this Coverage Extension is \$25,000.

**E. Ordinance or Law**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under Paragraph (a) **Loss of Use of Undamaged Parts of the Building** is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure sustaining direct "loss". This Coverage is included within, and not in addition to, that applicable Limit of Insurance.

The most we will pay for all loss in any one occurrence under Paragraph (b) **Demolition Costs** and Paragraph (c) **Increased Costs of Construction** is the Blanket Coverage Limit as provided in Section X of this endorsement per building or structure sustaining direct "loss". This is an additional Limit of Insurance applicable to the building or structure sustaining loss.

**F. Pollutant Clean Up and Removal**

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, h. Pollutant Clean Up and Removal**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for each "premises" under this Pollutant Clean Up and Removal Coverage Extension is \$25,000. This limit includes the sum of all covered expenses arising out of

Covered Causes of Loss during each "coverage term". This is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

**G. Underground Property**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Underground Property**

(1) We will pay for direct "loss" resulting from any of the Covered Causes of Loss to:

(a) Foundations of covered buildings, structures, machinery or boilers, if their foundations are below the lowest basement floor or the surface of the ground if there is no basement; and

(b) Underground pipes, flues or drains if they are attached to Covered Property.

(2) **SECTION A. COVERAGE, 2. Property Not Covered, g. Foundations** is deleted in its entirety and replaced by the following:

**g. Foundations**

Foundations of buildings, structures, machinery or boilers, if their foundations are below:

(1) The lowest basement floor; or

(2) The surface of the ground, if there is no basement;

except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

(3) **SECTION A. COVERAGE, 2. Property Not Covered, n. Underground Pipes, Flues or Drains** is deleted in its entirety and replaced by the following:

**n. Underground Pipes, Flues or Drains**

Underground pipes, flues or drains, except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

The most we will pay for loss in any one occurrence is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure incurring direct "loss". This Coverage is included within, and

not in addition to, that applicable Limit of Insurance.

#### H. Valuable Papers and Records

For the purposes of this endorsement only:

1. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the second paragraph in **(4)(b) Away From Your Premises** is deleted in its entirety and replaced by the following:

This limit of insurance for **Away From Your Premises** coverage is not included within the Blanket Coverage Limit and is separate and in addition to the Blanket Coverage Limit.

2. In **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Valuable Papers and Records Coverage Extension is the Blanket Coverage Limit as provided in Section **X** of this endorsement.

#### I. Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems

For the purposes of this endorsement only:

- (1) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water**, Paragraph 3) is deleted in its entirety and replaced by the following:

- 3) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**, water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; or

- (2) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water**, Paragraph 5) is deleted in its entirety and replaced by the following:

- 5) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**, waterborne

material carried or otherwise moved by any of the water referred to in Paragraph 1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

- (3) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

##### **Water Backup Discharged From Sewers, Drains, Septic or Sump Pump Systems**

We will pay for "loss" caused by or resulting from water or waterborne material that has entered and then backs up through and is discharged from a sewer, drain (including roof drains and related fixtures), septic system, sump pump system or related equipment.

- (4) **SECTION C. DEDUCTIBLE** is amended by adding the following:

##### **Water Backup Deductible**

We will not pay for "loss" in any one occurrence caused by or resulting from water or waterborne material which backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment, until the amount of "loss" exceeds the Deductible shown in the Declarations, or \$1,000, whichever is greater. We will then pay the amount of "loss" in excess of that deductible, up to the applicable limit indicated in Paragraph (5) of this Coverage Extension.

- (5) The most we will pay for loss in any one occurrence under this Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems Coverage Extension is \$10,000, including any "Business Income", "Rental Value" and Extra Expense loss.

#### J. Fire Department Service Charge

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, c. Fire Department Service Charge** is deleted in its entirety and replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 in any one occurrence for Fire Department Service Charge for your liability, which is determined prior to direct "loss", for fire department service charges:

- (1) Assumed by contract or agreement; or



(2) Required by local ordinance.

This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** and applies per location. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

#### K. Signs

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, n. Signs**, the second paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Sign Coverage Extension is \$10,000.

#### L. Outdoor Property

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, k. Outdoor Property**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under this Outdoor Property Coverage Extension is \$25,000, but not more than \$1,000 for any one tree, shrub, or plant.

#### M. Personal Effects

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Personal Effects**, the last two paragraphs are deleted in their entirety and replaced by the following:

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Personal Effects Coverage Extension has a \$1,000 per occurrence limitation for direct "loss" by theft.

The most we will pay for loss in any one occurrence under this Personal Effects Coverage Extension is \$25,000.

#### N. Tenant Move Back Expenses

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

##### Tenant Move Back Expenses

(1) We will reimburse you for expenses you pay for Covered Move Back Costs of your

tenants who temporarily vacate a portion of the building at a "premises". The vacancy must have occurred while the portion of the building rented by your tenant could not be occupied due to direct "loss" to your Covered Property caused by or resulting from a Covered Cause of Loss during the "coverage term". The move back must be completed within 60 calendar days after the portion of the building rented by your tenant has been repaired or rebuilt and is ready for occupancy.

(2) Covered Move Back Costs means only documented, reasonable and necessary costs of:

- (a) Packing, insuring and transporting business personal property;
- (b) Re-establishing electric utility and communication services, less refunds from discontinued services;
- (c) Assembling and setting up fixtures and equipment; or
- (d) Unpacking and re-shelving stock and supplies.

(3) If your tenants have valid and collectible insurance for Covered Move Back Costs, we will pay only for the amount of Covered Move Back Costs in excess of the amount payable from such other insurance.

The most we will pay for loss in any one occurrence under this Tenant Move Back Expenses Coverage Extension is the Blanket Coverage Limit as provided in Section **X** of this endorsement.

#### O. Peak Season

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

##### Peak Season

- 1. In the event that the limit of insurance stated in the Declarations for Business Personal Property is insufficient to fully insure a covered "loss" due to a Peak Season Demand for your inventory, we will pay up to the Blanket Coverage Limit as provided in Section **X** of this endorsement.
- 2. Peak Season Demand means a temporary (90 consecutive days or less) increase in your inventory to meet a seasonal demand as verified by:
  - a. Your previous inventory records for that historical period of time; and
  - b. Custom and practice in your industry.

**P. Personal Property of Others**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Personal Property of Others**

In the event that the limit of insurance stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for Business Personal Property is insufficient to fully insure a covered "loss" to both your Covered Personal Property and property described in Paragraph (8) of **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**, we will pay up to the Blanket Coverage Limit in any one occurrence as provided in Section **X** of this endorsement for such property.

**Q. Debris Removal**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

In the event that the limits of insurance stated in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** are insufficient to fully cover a "loss" insured thereunder, we will pay up to the Blanket Coverage Limit in any one occurrence as provided in Section **X** of this endorsement.

**R. Fire Protection Equipment Recharge**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, d. Fire Protection Equipment Recharge**, the last paragraph is deleted and replaced by the following:

The most we will pay for loss in any one occurrence under this Fire Protection Equipment Recharge Coverage Extension is \$50,000. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

**S. Paved Surfaces**

For the purposes of this endorsement only:

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered, i. Paved Surfaces** is deleted in its entirety and replaced by the following:

Except as provided in **4. Additional Coverages, Paved Surfaces**, bridges, road-

ways, walks, patios or other paved surfaces.

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

**Paved Surfaces**

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to bridges, roadways, walks, patios or other paved surfaces.

The most we will pay for loss in any one occurrence under this Paved Surfaces Coverage Extension is \$25,000.

**T. Temperature Change**

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

**Temperature Change**

**(1) Coverage**

- (a) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property** is deleted in its entirety and replaced by the following:

Covered Property means "perishable stock" located in a building at a "premises".

- (b) **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is deleted in its entirety and replaced by the following:

Covered Property does not include:

**"Perishable Stock" Not in Buildings**

"Perishable stock" located on buildings, in or on vehicles, or otherwise in the open.

**(2) Covered Causes of Loss**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

**a. Covered Causes of Loss**

Covered Causes of Loss means direct "loss" from "temperature change" to Covered Property unless "loss" is

excluded or limited in this Coverage Part.

**(3) Excluded Causes of Loss**

**(a) BUILDING AND PERSONAL PROPERTY COVERAGE FORM SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (1) Exclusion (1)(b) Earth Movement;**
- (2) Exclusion (1)(c) Governmental Action;**
- (3) Exclusion (1)(d) Nuclear Hazard;**
- (4) Exclusion (1)(f) War and Military Action;**
- (5) Exclusion (1)(g) Water; or**
- (6) Exclusion (1)(h) "Fungi", Wet Rot, Dry Rot, and Bacteria.**

**(b)** In addition to Paragraph **(3)(a)** of this Coverage Extension, we will not pay for direct "loss" caused by or resulting from any of the following:

- 1)** The disconnecting of any heating, refrigerating, cooling or humidity control system from the source of its power;
- 2)** The deactivation of electrical power caused by the manipulation of any switch or other device (on "premises") used to control the flow of electrical power or current;
- 3)** The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - a)** Lack of fuel; or
  - b)** Governmental order;
- 4)** The inability of a power source at the "premises" to provide sufficient power due to the lack of generating capacity to meet demand; or
- 5)** Breaking of any glass that is a permanent part of any heating, refrigeration, cooling or humidity control unit.

**(4) Limits of Insurance**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION B. LIMITS**

**OF INSURANCE** is deleted in its entirety and replaced by the following:

**SECTION B. LIMITS OF INSURANCE**

- a.** The most we will pay for all direct "loss" in any one occurrence under this Temperature Change Coverage Extension is \$5,000, including any "Business Income", "Rental Value", and Extra Expense loss.
- b.** The Limit of Insurance for Temperature Change is not an additional amount of insurance and will not increase the Limit of Insurance shown in the Declarations for Business Personal Property or "stock".

**(5) Duties in the Event of Loss**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 3. Duties in the Event of Loss or Damage, a.(2)** is deleted in its entirety and replaced by the following:

- (2)** All claims under this Temperature Change Coverage Extension should be reported immediately upon occurrence. Include a description of the damaged "perishable stock". All damaged "perishable stock" must be available for inspection and verification.

**(6) Coinsurance**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to the coverage provided by this endorsement.

**(7) Definitions**

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

"Perishable stock" means personal property:

- a.** Preserved and maintained under controlled conditions; and
- b.** Susceptible to "loss" if the controlled conditions change.

"Temperature change" means:

- a.** The fluctuation or total interruption of electrical power, either on or off "premises", resulting from conditions beyond your control.
- b.** Mechanical breakdown or mechanical failure of any refrigerating or cooling

apparatus or equipment (on "premises") including the blowing of any fuse, fuses, or circuit breakers, only while such equipment is at the "premises".

- c. Contamination by refrigerant.
- d. Damage due to the freezing of "perishable stock" that is not meant to be frozen resulting from the faulty operation of any stationary heating plant, when such "perishable stock" is contained within a building at the "premises".

#### U. Nonowned Building Damage

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, j. Nonowned Building Damage** is deleted in its entirety and replaced by the following:

If you are a tenant, you may extend the insurance provided by this Coverage Part for Business Personal Property to direct "loss" that occurs to the building at a "premises" you occupy but do not own.

This Coverage Extension applies only if your lease makes you legally responsible for that part of the building sustaining "loss".

This Coverage Extension does not apply to:

- (1) Glass, including lettering and ornamentation, and also necessary:
  - (a) Repair or replacement of encasing frames or alarm tapes; and
  - (b) Expenses incurred to board up openings or remove or replace obstruction.
- (2) Building materials and equipment removed from the "premises".

The most we will pay for loss in any one occurrence under this Nonowned Building Damage Coverage Extension is:

- (1) The actual "loss" sustained up to the applicable Limit of Insurance for Business Personal Property for direct "loss" caused by theft, burglary or robbery, or the attempt of the foregoing; or
- (2) The applicable Limit of Insurance for Business Personal Property or \$25,000; whichever is less, for "loss" caused by any

other Covered Cause of Loss, not referenced in Paragraph **U.(1)** above.

#### V. Inflation Guard

For the purposes of this endorsement only, the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** is amended to show 4% for Inflation Guard in the OPTIONAL COVERAGES - Inflation Guard column for each scheduled Building Property. If an Inflation Guard percentage is already indicated on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for that Building property, this percentage is excess of that Inflation Guard percentage for that Building property.

#### W. Brands and Labels

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

##### Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:

- (1) Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.

The most we will pay for loss in any one occurrence under this Brands and Labels Coverage Extension is \$25,000.

#### X. Blanket Coverage Limit

We will pay up to the Limit of Insurance stated in the Schedule of this endorsement in total in any one occurrence for the sum of all "loss" insured under coverages provided in this endorsement which are subject to the Blanket Coverage Limit. You may apportion this Limit among these coverages as you choose.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EQUIPMENT BREAKDOWN COVERAGE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL PROPERTY COVERAGE PART**

#### **A. COVERAGE**

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE** is amended by adding the following:

We will pay for direct "loss" to Covered Property caused by or resulting from an "accident" at the "premises".

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is amended by:

- a. Adding the following to (1)(e) **Utility Services**, (1)(g) **Water** 1), (2)(a) **Electrical Current**, (2)(d) **Miscellaneous Causes of Loss**, (2)(j) **Exposure to Weather**, (3)(a) **Weather Conditions**, (3)(b) **Acts or Decisions**, and (3)(c) **Defects, Errors, and Omissions**:

However, this exclusion does not apply if the causes of loss are caused by, or result from, an "accident" to Covered Property at the "premises".

- b. Deleting in its entirety (2)(e) **Explosion of Steam Apparatus**.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations** is amended by:

- a. Deleting in its entirety (1)(a) **Steam Apparatus** and (1)(b) **Hot Water Boilers**.

- b. Adding the following:

The following limitations apply only to "loss" covered by this endorsement. The sublimits provided in Paragraphs (1), (2) and (3) below are included within, and are not in addition to, the Limit of Insurance shown in the Declarations as applicable to the Covered Property. These limits, or the applicable Limit of Insurance shown in the Declarations as applicable to the Covered Property, whichever is less, apply. These limits apply to direct "loss" only.

- (1) **Ammonia Contamination Limitation**

If Covered Property is contaminated by ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for this kind of loss, including salvage expense, is \$100,000 per location.

- (2) **Data, Media and Software Restoration**

If "electronic data" is destroyed or corrupted as a result of an "accident" to covered equipment, the most we will pay for the expenses incurred by you for the restoration of that "electronic data" is \$100,000 for all loss sustained in the "coverage term", regardless of the number of "accidents" or the number of "premises" involved.

- (3) **"Hazardous Substance" Limitation**

The following applies despite the operation of **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a) Ordinance or Law**.

If Covered Property is damaged, contaminated or polluted by a "hazardous substance" other than ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for any additional expenses incurred by you for clean up, repair, replacement or disposal of that property is \$100,000. As used here, additional expenses mean expenses incurred beyond those for which we would be liable if no "hazardous substance" had been involved.

4. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A.**

**COVERAGE, 5. Coverage Extensions, g. Fungi, Wet Rot, Dry Rot, and Bacteria – Limited Coverage, Paragraph (3)** is deleted in its entirety and replaced by the following:

- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for loss, regardless of the number of claims, is \$100,000. This limit is the most we will pay for the total of all loss arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$100,000 even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a subsequent "coverage term".

## B. ADDITIONAL COVERAGES

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended as follows:

1. Paragraph **a. Change in Temperature or Humidity** is deleted in its entirety.

2. The following are added:

**a. Drying Out**

If electrical equipment included in Covered Property requires "drying out" as a result of a "flood", the reasonable expense incurred for the "drying out" will be covered.

**b. Expediting Expenses**

With respect to "loss" covered by this endorsement, and with respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (1) Make temporary repairs;
- (2) Expedite permanent repairs; and
- (3) Expedite permanent replacement.

**c. Non-Owned Utility Service Equipment**

We will pay for indirect loss resulting from an "accident" to non-owned utility equipment described in **E. Definitions, 1.a.(7)** but we will not pay for any expense to repair or replace direct "loss" to non-owned utility equipment that:

- (1) You do not own, lease or rent; or
- (2) That is not in your care custody and control.

These Additional Coverages are included within, and not in addition to, the Limits of Insurance shown in the Declarations. All other terms and conditions of this Coverage Part, including deductibles, apply to these Additional Coverages.

## C. DEDUCTIBLE

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended by adding the following:

The deductible applicable to "loss" covered by this endorsement is \$500, or the deductible indicated in the Declarations as being applicable to the lost or damaged Covered Property, whichever is greater.

## D. ADDITIONAL CONDITIONS

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended by adding the following:

### Suspension

Whenever any covered equipment is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against "loss" from an "accident" to that covered equipment. This can be done by delivering or mailing a written notice of suspension to:

1. Your last known address; or
2. The address where the covered equipment is located.

Once suspended in this way, your insurance can be reinstated only by written notice from us.

If we suspend your insurance, you will get a pro rata refund of premium for that covered equipment. However, the suspension will be effective even if we have not yet made or offered a refund.

## E. DEFINITIONS

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended by adding the following:

- 1.a. "Accident" means a sudden and accidental breakdown of the following covered equipment:

- (1) Any boiler;

- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents;
- (3) Any piping and its accessory equipment;
- (4) Any refrigeration or air conditioning system;
- (5) Any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power; or
- (6) Any "production machinery".
- (7) Equipment of a type described in definition **a.(1)** through **(6)** above which you do not own, lease or rent and is not in your care, custody or control that is on or within one mile of a covered "location", and is supplying you with electricity, gas, water, steam, heat, refrigeration, air conditioning or communication services.

At the time the breakdown occurs, it must become apparent by physical damage that the covered equipment or part thereof requires repair or replacement.

When the covered equipment or part thereof experiencing a problem is "electronic circuitry" that suddenly loses its ability to function as designed or intended with no apparent physical damage, we will concede physical damage has occurred if the covered equipment or part thereof can be restored to normal operation by replacing one or more "electronic circuitry" components.

**b.** None of the following is an "accident":

- (1) Depletion, deterioration, corrosion or erosion;
- (2) Wear and tear;
- (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (4) The functioning of any safety or protective device;
- (5) The breakdown of any structure or foundation supporting covered equipment or any of its parts;
- (6) Any condition that can be reasonably remedied by normal maintenance such as:
  - (a) Replacing expendable parts;
  - (b) Recharging batteries; or

- (c) Rebooting, reloading or updating software or firmware; or

(7) Any condition caused by or related to:

- (a) Incompatibility of covered equipment or part thereof with any software or equipment installed, introduced or networked within the prior 30 days; or
- (b) Programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, or other condition within or involving data or media of any kind.

**c.** None of the following are covered equipment:

- (1) Any sewer piping, underground gas piping, or piping forming a part of a sprinkler system;
- (2) Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigeration or air conditioning system;
- (3) Insulating or refractory material;
- (4) Vehicle, elevator, escalator, conveyor, hoist or crane;
- (5) Felt, wire, screen, swing hammer, grinding disc, cable, chain, belt, rope or nonmetallic part;
- (6) Die, mold, extrusion plate, cutting blade or any part or tool subject to periodic replacement for production or maintenance purposes;
- (7) Penstock, draft tube or well casing; or
- (8) Excavation or construction equipment or any equipment mounted thereon.

**d.** If a strike, riot, civil commotion, act of sabotage or vandalism results in an "accident", this insurance applies. However, the War and Military Action Exclusion and the conditions of this Coverage Part still apply.

**2.** "Drying out" means restoration of electrical equipment to service following a "flood" by removal of excess moisture from that equipment including:

- a.** Application of heat or controlled electrical current, circulation of air, or use of dehumidification equipment, after rinsing the electrical equipment with clean fresh water if necessary to flush away "flood" debris;

- b.** "Drying out" can be done in place or equipment can be disconnected and removed to a repair facility for drying if necessary.
  - c.** "Drying out" does not include or apply to:
    - (1)** Replacement or repair of any electrical equipment or parts thereof; or
    - (2)** Any expense related to deconstruction, demolition, or reconstruction of any building component, structure or part thereof to gain access to electrical equipment.
- 3.** "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.
- 4.** "Flood" means a general and temporary condition of partial or complete inundation of normally dry land areas due to:
  - a.** The overflow of inland or tidal waters;
  - b.** The unusual or rapid accumulation or runoff of surface waters from any source; or
  - c.** Mudslides or mudflows, which are caused by flooding as defined above in Paragraph
- 4.b.** For the purposes of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

All flooding in a continuous or protracted event will constitute a single "flood".
- 5.** "Hazardous substance" means a substance declared to be hazardous to health by a governmental agency.
- 6.** "Production machinery" means:
  - a.** Production or process machine or apparatus that processes, forms, cuts, shapes, grinds or conveys raw material, material in process or finished products, and the computers and their peripherals that control or operate such a machine or apparatus.
  - b.** Machine or apparatus used for research, medical, diagnostic, surgical, dental or pathological purposes, and computers and their peripherals that control or operate such a machine or apparatus.



# BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION F. DEFINITIONS**.

## SECTION A. COVERAGE

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- a. "Business Income" including "Rental Value".
- b. "Business Income" other than "Rental Value".
- c. "Rental Value".

If option **a.** above is selected, the term "Business Income" will include "Rental Value". If option **c.** above is selected, the term "Business Income" will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

### 1. Business Income

- a. We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at "premises" which are described in the Declarations and for which a "Business Income" Limit of Insurance is shown in the Declarations. The "loss" must be caused by or result from a Covered Cause of Loss. With respect to "loss" to personal property in the open (or personal property in a vehicle or portable storage unit), the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.
- b. With respect to the requirements set forth in the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purposes of this Coverage Part only, your "premises" is the portion of the building which you rent, lease or occupy, including:
  - (1) Any area within the building or on the site at which the "premises" are lo-

cated if that area services or is used to gain access to the described "premises".

- (2) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.

### 2. Extra Expense

- a. Extra Expense coverage is provided at the "premises" described in the Declarations only if the Declarations show that "Business Income" coverage applies at that "premises".
- b. Extra Expense means necessary expenses you sustain (as described in Paragraphs **2.c.**, **d.** and **e.**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- c. If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **2.d.**) to:
  - (1) Avoid or minimize the "suspension" of business and to continue "operations" either:
    - (a) At the "premises"; or
    - (b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
  - (2) Minimize the "suspension" of business if you cannot continue "operations".
- d. We will also pay expenses to:
  - (1) Repair or replace property; or

- (2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal "operations", the amount we will pay under this Coverage Form will be reduced by the salvage value of that property.

- e. Extra Expense as described in Paragraphs 2.a. thru 2.d. does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

### 3. Covered Causes of Loss

See **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss**.

### 4. Limitation for Electronic Data

- a. Coverage for "Business Income" does not apply when a "suspension" of "operations" is caused by destruction or corruption of "electronic data", or any "loss" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of "electronic data", or any "loss" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- c. This Limitation does not apply when "loss" to "electronic data" involves only "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

### 5. Additional Coverages

The Additional Coverages in Paragraphs 5.a. through 5.e. are included within and not additional "Business Income" and Extra Expense Limits of Insurance.

#### a. Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain due to direct "loss" at the "premises" caused by or re-

sulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
  - (a) Used in the construction, alterations or additions; or
  - (b) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

#### b. Civil Authority

When a Covered Cause of Loss causes direct damage to property other than Covered Property at the "premises", we will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority coverage for "Business Income" will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will apply for a period of up to 30 consecutive days from the date on which such coverage began.

Civil Authority coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will end 30 consecutive days after the date of that action; or when your Civil Authority coverage for "Business income" coverage ends, whichever is later.

**c. Extended Business Income**

**(1) "Business Income" Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Business Income" "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain during the period that:

- (a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b)** Ends on the earlier of:
  - (i)** The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed if no direct "loss" had occurred; or
  - (ii)** 60 consecutive days after the date determined in **c.(1)(a)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

**(2) "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you sustain during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
  - (i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or

- (ii)** 60 consecutive days after the date determined in **c.(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the described "premises" caused by or resulting from any Covered Cause of Loss.

**d. Interruption of Computer Operations**

- (1)** Subject to all provisions of this Additional Coverage - **Interruption of Computer Operations**, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" due to a Covered Cause of Loss. This Additional Coverage - **Interruption of Computer Operations** does not apply when "loss" to "electronic data" only involves "loss" to "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2)** The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (3)** The most we will pay under this Additional Coverage - **Interruption of Computer Operations** is \$2,500 for all "loss" sustained and expense sustained in any "coverage term", regardless of the number of interruptions or the number of "premises", locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this

amount, then the balance is available for "loss" or expense sustained as a result of subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not increase the amount of insurance in the next "coverage term". With respect to any interruption which begins in one "coverage term" and continues or results in additional "loss" or expense in that subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

- (4) This Additional Coverage - **Interruption in Computer Operations** does not apply to "loss" sustained or expense sustained after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **d.(3)** of this Additional Coverage has not been exhausted.

#### e. Ingress and Egress

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by the prevention of existing ingress or egress at a "premises" shown in the Declarations due to direct "loss" by a Covered Cause of Loss at a location contiguous to such "premises". However, coverage does not apply if ingress or egress from the "premises" is prohibited by civil authority.

Ingress and egress coverage for "Business Income" will begin immediately after the time of the direct "loss" and will continue for a period up to 30 consecutive days.

Ingress and egress coverage for Extra Expense will begin at time of the direct "loss" and will continue for 30 consecutive days or whenever your Ingress and Egress "business income" coverage ends, whichever occurs first.

#### 6. Coverage Extension

The limit applicable to the Coverage Extension is in addition to the Limit of Insurance. **SECTION D. ADDITIONAL CONDITION, 1. Coinsurance** does not apply to this Coverage Extension.

##### Newly Purchased or Leased Locations

- a. You may extend your "Business Income" and Extra Expense coverages to apply to property located at:
- (1) New buildings or additions while being built on a "premises";

- (2) Buildings you newly purchase or become required to insure by written contract; or
- (3) Leased buildings or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

This does not apply to property situated at trade shows, fairs or exhibitions.

- b. The most we will pay in total for "Business Income" and Extra Expense "loss" under this Coverage Extension is \$100,000 at each location described in Paragraph **6.a**.
- c. Insurance under this Coverage Extension will end when any of the following first occurs:
- (1) This policy expires;
- (2) 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (3) 90 days pass from the date you purchase, lease, or become contractually required to insure property described in Paragraphs **6.a.(2)** and **(3)**; or
- (4) You report values to us when you acquire your new building or business personal property.

We will charge you additional premium for values reported from the date you purchase or lease the property or begin construction on that part of the building that would qualify as Covered Property.

#### SECTION B. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

#### SECTION C. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

##### 1. Appraisal

If we and you disagree on the amount of "Business Income" or Extra Expense "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separate-



ly the amount of "Business Income" or Extra Expense "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

## 2. Duties in the Event of Loss

- a. You must see that the following are done in the event you have a "Business Income" or Extra Expense "loss":
  - (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the direct "loss". Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when, and where the direct "loss" occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
  - (5) As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of

your "operations" as quickly as possible.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

## 3. Loss Determination

- a. The amount of "Business Income" "loss" will be determined based on:

- (1) The Net Income of the business before the direct "loss" occurred;
- (2) The likely Net Income of the business if no direct "loss" had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
- (4) Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - (b) Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been sustained by "operations" during the "period of restoration" if no direct "loss" had occurred. We will deduct from the total of such expenses:
  - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
  - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- (2) Necessary expenses that reduce the "Business Income" "loss" that otherwise would have been incurred.

**c. Resumption of Operations**

We will reduce the amount of your:

- (1) "Business Income" "loss", other than Extra Expense to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the "premises" or elsewhere.
- (2) Extra Expense "loss" to the extent you can return "operations" to normal and discontinue such Extra Expense.

- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**4. Loss Payment**

We will pay for insured "loss" within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of "loss"; or
- b. An appraisal award has been made.

**SECTION D. ADDITIONAL CONDITION**

**1. Coinurance**

If a Coinurance percentage is shown in the Declarations, the following condition applies in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

We will not pay the full amount of any "Business Income" "loss" if the Limit of Insurance for "Business Income" is less than:

- a. The Coinurance percentage shown for "Business Income" in the Declarations; times
- b. The sum of:
- (1) The Net Income (Net Profit or Loss before income taxes), and
- (2) Operating expenses, including payroll expenses,

that would have been earned or incurred (had no direct "loss" occurred) by your "operations" at the "premises" for the 12 months following the inception, or last previous anniversary date, of this Coverage Part (whichever is later).

Instead, we will determine the most we will pay using the following steps:

1. Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this Coverage Part by the Coinurance percentage;
2. Divide the Limit of Insurance for the described "premises" by the figure determined in Step 1.; and
3. Multiply the total amount of "loss" by the figure determined in Step 2.

We will pay the amount determined in Step 3. or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

1. Prepaid freight - outgoing;
2. Returns and allowances;
3. Discounts;
4. Bad debts;
5. Collection expenses;
6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);
8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
11. All payroll expenses or the amount of payroll expense excluded (if Form **FA 465** is attached); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

**Example No. 1 (Underinsurance):**

When: The Net Income and operating expenses for the 12 months follow-

ing the inception, or last previous anniversary date of this Coverage Part at "premises" would have been \$400,000.

The Coinsurance percentage is 50%  
 The Limit of Insurance Is \$150,000  
 "Business Income" "loss" is \$80,000

Step 1:  $\$400,000 \times 50\% = \$200,000$   
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step 2:  $\$150,000 \div \$200,000 = .75$

Step 3:  $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

#### **Example No. 2 (Adequate Insurance):**

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date of this Coverage Part at the "premises" would have been \$400,000.

The Coinsurance percentage is 50%  
 The Limit of Insurance Is \$200,000  
 "Business Income" "loss" is \$80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ( $\$400,000 \times 50\%$ ). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of "loss").

This condition does not apply to Extra Expense.

### **SECTION E. OPTIONAL COVERAGES**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

#### **1. Maximum Period of Indemnity**

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay in total for "Business Income" and Extra Expense "loss" is the lesser of:

- (1) The amount of "Business Income" and Extra Expense "loss" sustained during the 120 days immediately following the beginning of the "period of restoration"; or

- (2) The Limit of Insurance shown in the Declarations.

#### **2. Monthly Limit of Indemnity**

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay for "Business Income" "loss" in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- (1) The Limit of Insurance; multiplied by
- (2) The fraction shown in the Declarations for this Optional Coverage.

#### **Example:**

When: The "Business Income" Limit of Insurance is \$120,000

The fraction shown in the Declarations for this Optional Coverage is 1/4

The most we will pay for "loss" in each period of 30 consecutive days is:  $\$120,000 \times 1/4 = \$30,000$ .

If, in this example, the actual amount of "Business Income" "loss" is:

Days	1-30	\$40,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$90,000</u>

We will pay:

Days	1-30	\$30,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$80,000</u>

The remaining \$10,000 is not covered.

#### **3. Business Income Agreed Value**

a. To activate this Optional Coverage:

(1) A Business Income Report/Work Sheet must be on file with the Company and must show financial data for your "operations":

(a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies. The "Business Income" Limit of Insurance indicated on the Declarations should

be at least equal to the Agreed Value, which is determined by:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and Operating Expenses for the following 12 months you report on the Work Sheet.

b. Except as noted in c. below, the **ADDITIONAL CONDITION Coinsurance** is suspended until the expiration date of this Coverage Part.

c. We will reinstate the **ADDITIONAL CONDITION Coinsurance** automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) When you request a change in your "Business Income" Limit of Insurance; or
- (2) When you request the coinsurance percentage be changed on the Work Sheet.

d. If the "Business Income" Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The "Business Income" Limit of Insurance; divided by
- (2) The Agreed Value.

**Example:**

When: The Limit of Insurance is \$100,000

The Agreed Value is \$200,000

"Business Income" "loss" is \$80,000

Step (a):  $\$100,000 \div \$200,000 = .50$

Step (b):  $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

**4. Extended Period of Indemnity**

In **SECTION A. COVERAGE, 5. Additional Coverages, c. Extended Business Income**, the number "60" in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

**SECTION F. DEFINITIONS**

1. "Business Income" means the:

- a. Net income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

b. Continuing normal operating expenses sustained, including payroll.

2. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

3. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or
- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

4. "Electronic data" means information, facts or "computer programs" stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.

5. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a coinsurance percentage shown for "Business Income" in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.



6. "Loss" means accidental physical loss or accidental physical damage.
7. "Operations" means:
  - a. Your business activities occurring at the "premises"; and
  - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
8. "Period of restoration" means the period of time that:
  - a. Begins at the time of direct "loss".
  - b. Ends on the earlier of:
    - (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (2) The date when business is resumed at a new permanent location.
  - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
    - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
    - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
  - d. The expiration date of the Coverage Part will not cut short the "period of restoration".
9. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
  - a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
10. "Premises" means the Locations and Buildings described in the Declarations.
11. "Rental Value" means "Business Income" that consists of:
  - a. Net income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "premises" described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the "premises" which is occupied by you; and
  - b. Continuing normal operating expenses incurred in connection with that "premises", including:
    - (1) Payroll; and
    - (2) The amount of charges, which are the legal obligation of the tenant(s) but would otherwise be your obligations.
12. "Suspension" means:
  - a. The slowdown or cessation of your business activities; and
  - b. That a part or all of the "premises" is rendered untenable if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
13. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information. But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

# THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Attached to and forming part of POLICY NUMBER: **EPP 053 36 25**

Named Insured is the same as it appears in the Common Policy Declarations

### LIMITS OF INSURANCE

EACH OCCURRENCE LIMIT	\$ 1,000,000	
GENERAL AGGREGATE LIMIT	\$ 2,000,000	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$ 2,000,000	
PERSONAL & ADVERTISING INJURY LIMIT	\$ 1,000,000	ANY ONE PERSON OR ORGANIZATION
DAMAGE TO PREMISES RENTED TO YOU LIMIT		ANY ONE PREMISES
\$100,000 limit unless otherwise indicated herein:	\$ SEE GA227	
MEDICAL EXPENSE LIMIT		
\$5,000 limit unless otherwise indicated herein:	\$	ANY ONE PERSON

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 1 - IN REAL ESTATE AGENTS INCL PROD AND/OR COMP OP	47050 B	2,754,000		.927		2,553
REAL ESTATE PROPERTY MANAGED INCL PROD AND/OR COMP OP	47052 C	2,142,000		2.917		6,248
BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	3,356		33.270		112
BUILDINGS OR PREMISES - OFFICE - OT NFP INCL PROD AND/OR COMP OP	61224 A	18,488		43.126		797
LOC. 2 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	10,447		31.626		330
LOC. 3 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	4,000		31.626		127
LOC. 4 - IN BUILDINGS OR PREMISES	61212 A	9,100		31.626		288

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LRO - OT NFP		A - Area				
INCL PROD AND/OR COMP OP		B - Payroll				
		C - Gross Sales				
		D - Units				
		E - Other				
LOC. 5 - IN						
BUILDINGS OR PREMISES	61212 A	3,000		31.626		95
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 6 - IN						
BUILDINGS OR PREMISES	61212 A	6,000		31.626		190
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 7 - IN						
REAL ESTATE DEVELOPMENT	47051 E	1 EACH		52.123		52
PROPERTY						
INCL PROD AND/OR COMP OP						
BUILDINGS OR PREMISES	61212 A	14,212		31.626		449
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 8 - IN						
BUILDINGS OR PREMISES	61212 A	5,000		31.626		158
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 9 - IN						
BUILDINGS OR PREMISES	61212 A	10,000		31.626		316
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 10 - IN						
PARKING - PUBLIC	46607 A	27,000		14.003		378
INCL PROD AND/OR COMP OP						
SHOPPING CENTERS	67635 A	14,145		41.771		591
INCL PROD AND/OR COMP OP						
LOC. 11 - IN						
SHOPPING CENTERS	67635 A	6,231		36.830		229
INCL PROD AND/OR COMP OP						
LOC. 12 - IN						
BUILDINGS OR PREMISES	61212 A	5,000		33.270		166
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 13 - IL						
BUILDINGS OR PREMISES	61217 A	500		24.216		12
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 14 - IL						
BOAT STORAGE AND MOORAGE	10105 C	1		3.386		1
INCL PROD AND/OR COMP OP						
LOC. 15 - IL						

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E1	EACH		1.516		2
LOC. 16 - IL VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E1	EACH		1.516		2
LOC. 17 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A4,000			31.626		127
LOC. 18 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E1	EACH		52.123		52
LOC. 19 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A11,555			33.270		384
LOC. 20 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A153,600			33.270		5,110
LOC. 21 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A5,000			33.270		166
LOC. 22 - IN PARKING - PUBLIC INCL PROD AND/OR COMP OP	46607 A32,000			14.845		475
SHOPPING CENTERS INCL PROD AND/OR COMP OP	67635 A24,900			36.830		917
LOC. 23 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A4,000			33.270		133
LOC. 24 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A7,544			33.270		251
LOC. 25 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A2,212			33.270		74
LOC. 26 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A10,731			33.270		357

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 27 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	10,200		33.270		339
LOC. 28 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61217 A	3,880		26.371		102
LOC. 29 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61217 A	3,440		26.371		91
LOC. 30 - IN LAND INCL PROD AND/OR COMP OP	45539 E	1 EACH		3.264		3
LOC. 31 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	2,400		33.270		80
LOC. 32 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		52.123		104
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		26.058		208
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		13.899		111
LOC. 33 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	6,800		33.270		226
LOC. 34 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	2,750		33.270		91
LOC. 35 - IN WAREHOUSES - NFP INCL PROD AND/OR COMP OP	68707 A	16,500		23.311		385
LOC. 36 - IN VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E	3 EACH		1.269		4
LOC. 37 - IN BUILDINGS OR PREMISES	61212 A	6,600		33.270		220

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LRO - OT NFP		A - Area				
INCL PROD AND/OR COMP OP		B - Payroll				
		C - Gross Sales				
		D - Units				
		E - Other				
LOC. 38 - IN						
BUILDINGS OR PREMISES	61212 A	5,973		33.270		199
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 39 - IN						
VACANT LAND - OT NFP	49451 E	1 EACH		1.269		1
INCL PROD AND/OR COMP OP						
LOC. 40 - IN						
VACANT LAND - OT NFP	49451 E	1 EACH		1.269		1
INCL PROD AND/OR COMP OP						
LOC. 41 - IN						
REAL ESTATE DEVELOPMENT	47051 E	2 EACH		52.123		104
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E	8 EACH		26.058		208
PROPERTY						
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT	47051 E	2 EACH		13.899		28
PROPERTY						
INCL PROD AND/OR COMP OP						
LOC. 47 - IN						
PARKING - PUBLIC	46607 A	43,500		14.003		609
INCL PROD AND/OR COMP OP						
SHOPPING CENTERS	67635 A	33,144		41.771		1,384
INCL PROD AND/OR COMP OP						
LOC. 48 - IN						
BUILDINGS OR PREMISES	61212 A	1,732		31.626		55
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 49 - IN						
BUILDINGS OR PREMISES	61212 A	8,400		31.626		266
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 50 - IN						
BUILDINGS OR PREMISES	61212 A	2,400		31.626		76
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 51 - IN						
BUILDINGS OR PREMISES	61212 A	10,000		31.626		316
LRO - OT NFP						
INCL PROD AND/OR COMP OP						
LOC. 52 - OH						
SHOPPING CENTERS	67635 A	11,200		14.333		161

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
INCL PROD AND/OR COMP OP						
LOC. 53 - OH LAND	45539	E1 EACH		3.061		3
INCL PROD AND/OR COMP OP						
LOC. 54 - IN BUILDINGS OR PREMISES LRO - OT NFP	61212	A33,202		33.270		1,105
INCL PROD AND/OR COMP OP						
BUILDINGS OR PREMISES LRO - OT NFP	61212	A750		33.270		25
INCL PROD AND/OR COMP OP						
LOC. 55 - KY BUILDINGS OR PREMISES LRO - OT NFP	61212	A7,882		24.419		192
INCL PROD AND/OR COMP OP						
LOC. 56 - IN BUILDINGS OR PREMISES LRO - OT NFP	61212	A3,600		33.270		120
INCL PROD AND/OR COMP OP						
LOC. 57 - KY BUILDINGS OR PREMISES LRO - OT NFP	61212	A5,345		24.419		131
INCL PROD AND/OR COMP OP						
LOC. 58 - IN LAKES OR RESERVOIRS - OT NFP	45523	E3 EACH		151.807		455
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E2 EACH		52.123		104
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E8 EACH		26.058		208
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E15 EACH		13.899		208
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E25 EACH		8.686		217
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E2 EACH		6.430		13
INCL PROD AND/OR COMP OP						
LOC. 59 - IN BUILDINGS OR PREMISES LRO - OT NFP	61212	A7,950		33.270		264

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
INCL PROD AND/OR COMP OP						
LOC. 60 - NC LAND	45539	E1 EACH		3.257		3
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E2 EACH		52.007		104
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E1 EACH		26.000		26
INCL PROD AND/OR COMP OP						
LOC. 61 - IL VACANT LAND - OT NFP	49451	E100 EACH		1.516		152
INCL PROD AND/OR COMP OP						
VACANT LAND - OT NFP	49451	E9 EACH		.610		5
INCL PROD AND/OR COMP OP						
LOC. 62 - IN REAL ESTATE PROPERTY MANAGED	47052	C4,170		2.917		12
INCL PROD AND/OR COMP OP						
LOC. 63 - NC BUILDINGS OR PREMISES LRO - OT NFP	61212	A1,900		8.309		16
INCL PROD AND/OR COMP OP						
LOC. 64 - AZ BUILDINGS OR PREMISES - OFFICE - OT NFP	61224	A1,591		50.482		80
INCL PROD AND/OR COMP OP						
LOC. 65 - KY BUILDINGS OR PREMISES LRO - OT NFP	61212	A6,868		24.419		168
INCL PROD AND/OR COMP OP						
LOC. 69 - IN BUILDINGS OR PREMISES LRO - OT NFP	61212	A10,371		33.270		345
INCL PROD AND/OR COMP OP						
CONDOMINIUMS - COMMERCIAL	62000	A131,500		19.815		2,606
INCL PROD AND/OR COMP OP						
LOC. 70 - AZ REAL ESTATE DEVELOPMENT PROPERTY	47051	E2 EACH		96.730		193
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY	47051	E2 EACH		48.360		97
INCL PROD AND/OR COMP OP						



CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 71 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	56,100 A - Area B - Payroll C - Gross Sales D - Units E - Other		8.309		466
LOC. 72 - UT VACANT BUILDINGS - OT NFP INCL PROD AND/OR COMP OP	68606 A	4,862		11.644		57
LOC. 73 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		52.123		104
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		26.058		208
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	5 EACH		13.899		69
LOC. 74 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	32,940		33.270		1,096
LOC. 75 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	34,241		8.309		285
LOC. 76 - KS BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	17,999		17.368		313
LOC. 77 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	18,066		8.309		150
LOC. 78 - AZ REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		96.730		193
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		48.360		387
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	7 EACH		25.793		181
LOC. 79 - IL BUILDINGS OR PREMISES LRO - OT NFP	61212 A	9,920		27.360		271

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
		A - Area B - Payroll C - Gross Sales D - Units E - Other				
INCL PROD AND/OR COMP OP						
LOC. 80 - IN DWELLINGS - ONE-FAMILY INCL PROD AND/OR COMP OP	63010	E1 EACH		62.794		63
LOC. 82 - CO REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E2 EACH		3.568		7
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E5 EACH		1.780		9
LOC. 83 - AZ REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E2 EACH		96.730		193
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E8 EACH		48.360		387
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E7 EACH		25.793		181
LOC. 84 - CO REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E2 EACH		3.568		7
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E8 EACH		1.780		14
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E4 EACH		1.071		4
LOC. 85 - TX REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E2 EACH		53.843		108
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E8 EACH		26.918		215
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E6 EACH		14.357		86
LOC. 86 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051	E2 EACH		52.123		104

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 6	A - Area B - Payroll C - Gross Sales D - Units E - Other		26.058		156
LOC. 87 - IN REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2			52.123		104
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8			26.058		208
LOC. 88 - NC REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2			52.007		104
LOC. 89 - FL REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2			64.467		129
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8			35.397		283
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 5			18.878		94
LOC. 90 - AZ REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2			96.730		193
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8			48.360		387
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 9			25.793		232
LOC. 91 - NC REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2			52.007		104
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2			26.000		52
LOC. 92 - NC BUILDINGS OR PREMISES - OFFICE - OT NFP INCL PROD AND/OR COMP OP	61224 A 2,289			12.044		28

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 93 - CO REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2	A - Area B - Payroll C - Gross Sales D - Units E - Other		65.666		131
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2			32.829		66
LOC. 94 - AZ BUILDINGS OR PREMISES - OFFICE - OT NFP INCL PROD AND/OR COMP OP	61224 A2,798			50.482		141
LOC. 95 - OH REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2			39.406		79
LOC. 96 - AZ REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2			96.730		193
LOC. 97 - FL REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2			64.467		129
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E8			35.397		283
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E15			18.878		283
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E9			11.802		106
LOC. 98 - OH REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2			49.259		99
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2			24.632		49
LOC. 99 - PA REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E2			52.286		105
REAL ESTATE DEVELOPMENT PROPERTY	47051 E8			26.140		209

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
INCL PROD AND/OR COMP OP						
LOC. 100 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	5,250		8.309		44
INCL PROD AND/OR COMP OP						
LOC. 101 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	6,100		8.309		51
INCL PROD AND/OR COMP OP						
LOC. 102 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	21,761		31.626		688
INCL PROD AND/OR COMP OP						
LOC. 103 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	8,822		31.626		279
INCL PROD AND/OR COMP OP						
LOC. 104 - OH REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	1 EACH		49.259		49
INCL PROD AND/OR COMP OP						
LOC. 105 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	9,421		31.626		298
INCL PROD AND/OR COMP OP						
LOC. 106 - IL VACANT LAND - OT NFP INCL PROD AND/OR COMP OP	49451 E	65 EACH		1.899		123
INCL PROD AND/OR COMP OP						
LOC. 107 - AL REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		51.762		104
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	8 EACH		25.877		207
INCL PROD AND/OR COMP OP						
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	12 EACH		13.804		166
INCL PROD AND/OR COMP OP						
LOC. 108 - AZ BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A	11,424		30.464		348
INCL PROD AND/OR COMP OP						
LOC. 109 - TX REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E	2 EACH		53.355		107

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8	EACH A - Area B - Payroll C - Gross Sales D - Units E - Other		26.680		213
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2	EACH		14.226		28
LOC. 110 - OH REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 1	EACH		49.259		49
LOC. 111 - AZ BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A 4,000			30.589		122
LOC. 112 - FL REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2	EACH		64.467		129
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8	EACH		35.397		283
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 3	EACH		18.878		57
LOC. 113 - NC BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A 11,220			8.309		93
LOC. 114 - MO REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2	EACH		62.645		125
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8	EACH		31.322		251
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8	EACH		16.708		134
LOC. 115 - FL REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 2	EACH		64.467		129
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E 8	EACH		35.397		283

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
REAL ESTATE DEVELOPMENT PROPERTY INCL PROD AND/OR COMP OP	47051 E1	EACH		18.878		19
LOC. 116 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A8,153			31.626		258
LOC. 117 - IN BUILDINGS OR PREMISES LRO - OT NFP INCL PROD AND/OR COMP OP	61212 A16,710			31.626		528
EXTENDED LIABILITY	20296			2%		750
ADDITIONAL INSURED - TENANTS GA4115 10 01						100
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
06619 FARM-160 TO 500 ACRES						70
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
06519 FARM-160 ACRES OR LESS						54
ADDITIONAL INSUREDS	29954					175

The General Liability Coverage Part is subject to an annual minimum premium.

TOTAL ANNUAL PREMIUM \$ 49,163

**FORMS AND / OR ENDORSEMENTS APPLICABLE TO COMMERCIAL GENERAL LIABILITY COVERAGE PART:**

GA101	12/04	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG2018	04/13	ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE OR RECEIVER
FL0116	09/94	EXCLUSION-MIGRANT AND SEASONAL AGRICULTURAL WORKER PROTECTION ACT
GA4115	10/01	ADDITIONAL INSURED - TENANTS

**FORMS AND / OR ENDORSEMENTS APPLICABLE TO COMMERCIAL GENERAL LIABILITY COVERAGE PART:**

RA205	06/09	BASIC FARM PREMISES LIABILITY
CG0103	06/06	TEXAS CHANGES
CG0123	03/97	INDIANA CHANGES - POLLUTION EXCLUSION
CG2004	11/85	ADDITIONAL INSURED--CONDOMINIUM UNIT OWNERS
CG2012	04/13	ADDITIONAL INSURED - STATE OR GOVERNMENTAL AGENCY OR SUBDIVISION OR POLITICAL SUBDIVISION - PERMITS OR AUTHORIZATIONS
CG2018	04/13	ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER
CG2026	04/13	ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION
CG2270	11/85	REAL ESTATE PROPERTY MANAGED
CG2301	04/13	EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS
CG2625	04/05	MISSOURI CHANGES - GUARANTY ASSOCIATION
CG2650	12/98	MISSOURI CHANGES - MEDICAL PAYMENTS
GA216OH	03/10	OHIO LIABILITY COVERAGE ENHANCEMENT
GA227	09/17	COMMERCIAL GENERAL LIABILITY EXTENDED ENDORSEMENT
GA3019IN	02/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION
GA3024	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
GA323	10/01	EXCLUSION - LEAD LIABILITY
GA325PA	10/95	PENNSYLVANIA AMENDATORY ENDORSEMENT
GA354	10/01	TOTAL POLLUTANT EXCLUSION ENDORSEMENT
GA382	03/02	FUNGI OR BACTERIA EXCLUSION
GA4150MO	02/02	MISSOURI CHANGES DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT
GA4205IL	10/01	ILLINOIS CHANGES - KNOWN INJURY OR DAMAGE
GA4339KS	07/10	KANSAS CHANGES - TRANSFER OF RIGHTS
GA470	01/99	INDEPENDENT CONTRACTORS AS INSUREDS - REAL ESTATE AGENTS

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# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

## SECTION I - COVERAGES

### COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under

### SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and
  - (3) Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, you did not know, per Paragraph **1.d.** below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part.
- c. "Bodily injury" or "property damage" which:
- (1) Occurs during the "coverage term"; and
  - (2) Was not, prior to the "coverage term", known by you, per Paragraph **1.d.** below, to have occurred;
- includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
- d. You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":
- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
  - (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
  - (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
  - (5) Becomes aware, or reasonably should have become aware, of a

condition from which "bodily injury" or "property damage" is substantially certain to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. When a claim for such "bodily injury" or "property damage" is made, we will defend that claim provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

### d. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured sustained in the "workplace";
- (2) An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

### f. Pollutant

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, Paragraph (a) does not apply to:

- 1) "Bodily injury" to any person injured while on any premises, site or location owned or occupied by, or rented or loaned to, you provided:

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- a) The injury is caused by the inadequate ventilation of vapors;
- b) The person injured is first exposed to such vapors during the policy period; and
- c) Within 30 days of such first exposure, the person injured is clinically diagnosed or treated by a physician for the medical condition caused by the exposure to such vapors. However, Paragraph c) does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

This exception 1) shall apply only to Named Insureds; we shall have no duty to defend or pay damages for any person or organization that is not a Named Insured. However, this paragraph does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

For the purpose of the exception granted in Paragraph 1) only, vapors means any gaseous or airborne irritant or airborne contaminant, including smoke, fumes, vapor or soot, but excluding asbestos, which is discharged, dispersed, emitted, released or escapes from materials, machinery or equipment used in the service or maintenance of the premises. Vapors does not mean any gaseous or

airborne irritants or contaminants used in a manufacturing process or which is the product or by-product of any manufacturing process;

- 2) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - 1) Any insured; or
  - 2) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, Paragraph (d) does not apply to:
  - 1) "Bodily injury" or "property damage" arising out of the discharge, dispersal, seepage, migration, release, es-

cape or emission of fuels, lubricants or other operating fluids, or exhaust gases, which are needed to perform, or are the result of, the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted with the intent to cause "bodily injury" or "property damage" or with the knowledge that "bodily injury" or "property damage" is substantially certain to occur, or if such fuels, lubricants or other operating fluids, or exhaust gases, are brought on or to the premises, site or location with such intent to escape, seep or migrate, or be discharged, dispersed, released or emitted as part of the operations being performed by such insured, contractor or subcontractor;

- 2) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the op-

erations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, Paragraphs (2)(a) and (b) do not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

#### g. Aircraft, Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

governmental authority in hindering or defending against any of these.

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

#### **h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

#### **i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by

#### **j. Damage to Property**

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of an insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire or explosion) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days, for which the amount we will pay is limited to the Damage To Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

#### **k. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.



**I. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall of Products, Work or Impaired Property**

Any liability or damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal and Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Asbestos**

"Bodily injury" or "property damage" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**q. Employment-Related Practices**

"Bodily injury" to:

**(1) A person arising out of any:**

- (a) Refusal to employ that person;
- (b) Termination of that person's employment; or
- (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

**(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.**

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**r. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury" or "property damage" is substantially certain to occur.

**s. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

**t. Distribution of Material in Violation of Statutes**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **q.** do not apply to "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the Damage to Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

**COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**.

- b. This insurance applies to "personal and advertising injury" only if:
  - (1) The "personal and advertising injury" is caused by an offense arising out of your business; and
  - (2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period; and
  - (3) Prior to the "coverage term" in which the "personal and advertising injury" offense is committed, you did not know, per Paragraph **1.d.** below, that the offense had been committed or had begun to be committed, in whole or in part.
- c. "Personal and advertising injury" caused by an offense which:
  - (1) Was committed during the "coverage term"; and

- (2) Was not, prior to the "coverage term", known by you, per Paragraph 1.d. below, to have been committed;

includes any continuation, change or resumption of that offense after the end of the "coverage term" in which it first became known by you.

- d. You will be deemed to know that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means, other than as described in (3) above, that the offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

## 2. Exclusions

This insurance does not apply to:

### a. Knowing Violation of Rights of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### b. Material Published With Knowledge of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

### c. Material Published Prior to Coverage Term

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the later of the following:

- (1) The inception of this Coverage Part; or
- (2) The "coverage term" in which insurance coverage is sought.

### d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

### e. Contractual Liability

"Personal and advertising injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "personal and advertising injury" is caused by or arises out of an offense committed subsequent to the execution of the contract or agreement. When a claim for such "personal and advertising injury" is made, we will defend that claim, provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

### f. Breach of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

### g. Quality or Performance of Goods - Failure to Conform to Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

### h. Wrong Description of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

### i. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, pat-



ent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds in Media and Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 17. a., b. and c. of "personal and advertising injury" under **SECTION V - DEFINITIONS**.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet is not, by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board any insured hosts, owns, or over which any insured exercises control.

**l. Unauthorized Use of Another's Name or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Employment Related Practices**

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation

or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**n. Pollutant**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.

**o. Pollutant-Related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**p. Asbestos**

"Personal and advertising injury" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**q. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that a "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part, prior to the "coverage term" in which such offense

was committed or began to be committed.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that a "personal and advertising injury" offense has been committed or has begun to be committed at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that the "personal and advertising injury" offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

**r. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**s. Distribution of Material in Violation of Statutes**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**COVERAGE C. MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury on Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers' Compensation and Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletic Activities**

To any person injured while officiating, coaching, practicing for, instructing or participating in any physical exercises or games, sports, or athletic contests or exhibitions of an athletic or sports nature.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**.

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", in-

cluding actual loss of earnings up to \$250 a day because of time off from work.

5. All costs taxed against the insured in the "suit".
6. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

**SECTION II - WHO IS AN INSURED**

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by

you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by; or

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by,

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. a. The General Aggregate Limit is the most we will pay for the sum of:

(1) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

(2) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

(3) Damages under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**.

This General Aggregate Limit will not apply if either the Location General Aggregate



gate Limit of Insurance, Paragraph **2.b.**, or the Construction Project General Aggregate Limit of Insurance, Paragraph **2.c.** applies.

- b. A separate Location General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each location owned by, or rented or leased to you and is the most we will pay for the sum of:

(1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

(2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**,

which can be attributed to operations at only a single location owned by, or rented or leased to you.

- c. A separate Construction Project General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each construction project and is the most we will pay for the sum of:

(1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

(2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

which can be attributed only to ongoing operations and only at a single construction project.

- d. Only for the purpose of determining which General Aggregate Limit of Insurance, **2.a.**, **2.b.**, or **2.c.**, applies:

(1) Location means premises involving the same or connecting lots, or premises, whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

(2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on

your behalf at the same location for the same persons or organizations, no matter how often or under how many different contracts, will be deemed to be a single construction project.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to **2.a.** above, the Personal and Advertising Injury Limit is the most we will pay under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; and

b. Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to **5.** above, the Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire or explosion, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to **5.** above, the Medical Expense Limit is the most we will pay under **COVERAGE C. MEDICAL PAYMENTS** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

#### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties in the Event of Occurrence, Offense, Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or

a "personal and advertising injury" offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable

under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### 4. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### 5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** of this Coverage Part, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

#### b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar insurance for "your work";
  - (b) That is Fire or Explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to

premises rented to you or temporarily occupied by you with permission of the owner; or

- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft.**
- (2) Any other primary insurance available to the insured covering liability for damages arising out of the premises or operations, or the products and completed operations, for which the insured has been added as an additional insured by attachment of an endorsement.
- (3) Any other insurance:
- (a) Whether primary, excess, contingent or on any other basis, except when such insurance is written specifically to be excess over this insurance; and
- (b) That is a consolidated (wrap-up) insurance program which has been provided by the prime contractor/project manager or owner of the consolidated project in which you are involved.

When this insurance is excess, we will have no duty under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance

shown in the Declarations of this Coverage Part.

### c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

## 6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If:
- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

## 7. Representations

By accepting this Coverage Part, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Part in reliance upon your representations.

## 8. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**9. Transfer of Rights of Recovery Against Others to Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**10. Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Part and any other Coverage Form, Coverage Part or policy issued to you by us or any company affiliated with us apply to the same "occurrence" or "personal and advertising injury" offense, the aggregate maximum limit of insurance under all the Coverage Forms, Coverage Parts or policies shall not exceed the highest applicable limit of insurance under any one Coverage Form, Coverage Part or policy. This condition does not apply to any Coverage Form, Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

**11. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

- 1. "Advertisement" means a notice that is broadcast, telecast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

- 2. "Authorized representative" means:

- a. If you are designated in the Declarations as:

- (1) An individual, you and your spouse are "authorized representatives".
- (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
- (3) A limited liability company, your members and your managers are "authorized representatives".
- (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".
- (5) A trust, your trustees are "authorized representatives".

- b. Your "employees":

- (1) Assigned to manage your insurance program; or
- (2) Responsible for giving or receiving notice of an "occurrence", "personal and advertising injury" offense, claim or "suit";

are also "authorized representatives".

- 3. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- 4. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

- 5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at



- 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
- (1) The day the policy period shown in the Declarations ends; or
  - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in a. above;
    - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication,

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement to which we agree.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any rail-

road property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;

- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities;

- (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;

- (5) Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;

- (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search

engines; marketing analysis; and providing access to the Internet or other similar networks; or

- (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to

permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

18. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
- b. The insured uses, generates or produces the "pollutant".

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or
  - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
    - (a) When all of the work called for in your contract has been completed; or
    - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or
    - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a schedule, states that products-completed operations are included.

20. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

21. "Suit" means a civil proceeding in which money damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.

22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Volunteer worker" means a person who is not your "employee", and who donates his or

her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".

25. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
- (b) Others trading under your name; or
- (c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

26. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.



# NUCLEAR ENERGY LIABILITY EXCLUSION (Broad Form)

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

(1) With respect to which an insured under this Coverage Part is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this Coverage Part not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:**

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured, or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by

an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this exclusion:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

**A. Any "nuclear reactor";**

**B. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";**

**C. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;**

D. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - MIGRANT AND SEASONAL AGRICULTURAL WORKER PROTECTION ACT**

This endorsement modifies insurance provided under the following:

**FARM LIABILITY COVERAGE FORM  
FARM EMPLOYERS LIABILITY AND FARM EMPLOYEES MEDICAL PAYMENTS INSURANCE  
ENDORSEMENT  
BASIC FARM PREMISES LIABILITY ENDORSEMENT  
BROAD FARM PREMISES LIABILITY ENDORSEMENT**

This insurance does not apply to damages awarded under:

- A.** The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801 et seq.) (hereinafter "MSAWPA").
- B.** Any law, due to violation of the MSAWPA, or
- C.** Any regulation promulgated pursuant to the MSAWPA.

**THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.**

**BASIC FARM PREMISES LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

Subject to the provisions of this endorsement, insurance under the Commercial General Liability Coverage Part applies with respect to liability arising out of the ownership, use or maintenance of "farm premises". The terms ownership, use or maintenance include operations necessary or incidental to ownership, use or maintenance.

**A. Coverage A - Bodily Injury and Property Damage Liability**

**1. Under Exclusion 2.f., the following exception is added to Subparagraph (1)(a):**

- 4) "Bodily injury" or "property damage" caused by heat, smoke or fumes from a fire if the fire:

- a) is set by the insured on the "farm premises"; and
- b) is set for the purpose of burning of crop, stubble or other vegetation and is consistent with normal and usual agricultural practices; and
- c) is not set in violation of an ordinance or law.

**2. The following exception is added to Exclusion 2.g.:**

- (6) An "auto" or item of "mobile equipment" involved in an occurrence on the "farm premises" and not subject to motor vehicle registration by reason of:

- (a) Use exclusively on the "farm premises"; or
- (b) Being kept in dead storage on the "farm premises".

**3. Exclusion 2.i. does not apply to operations necessary or incidental to the ownership, use or maintenance of the "farm premises".**

**4. Unless the Declarations specify otherwise, the following exclusions are added:**

- u. "Bodily injury" or "property damage" arising out of the ownership, use or maintenance of any part of the "farm premises" that is:

- (1) Used for nonagricultural business purposes; or

- (2) Rented to others or held for rental by an insured for nonagricultural business or dwelling purposes.

This exclusion does not apply to:

- (1) A residence rented to a person who occupies and farms the "farm premises"; or
- (2) A residence occupied by no more than two roomers or boarders.

- v. "Bodily injury" or "property damage" arising out of the ownership, use or maintenance of:

- (1) Farm tools, farm tractors and trailers under contract to others for a charge;
- (2) Draft animals or vehicles used with them:

- (a) Under contract to others for a charge; or
- (b) Used for route delivery; or

- (3) Saddle animals:

- (a) Rented to others by or for an insured; or
- (b) Used in practicing for or participating in any exhibition or contest.

- w. "Property damage" arising out of any substance released or discharged from any aircraft.

- x. "Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services.

**B. Coverage C - Medical Payments**

The following is added to Paragraph 2. Exclusions:

- h. To any person engaged in work usual or incidental to the maintenance or use of the "farm premises".



The only exceptions to this exclusion are in occurrences of "bodily injury" sustained by a person on the "farm premises" in a neighborly exchange of assistance for which the insured is not obligated to pay any money.

**C. Chemical Drift Liability Coverage** is added to the Commercial General Liability Coverage Part as Coverage M, as described and limited in 1. through 6, below:

**1. Insuring Agreement**

a. We will pay those sums that the insured becomes legally obligated to pay as damages for physical injury to crops or animals if:

- (1) The injury was caused by discharge, dispersal, release or escape into the air from the "farm premises", of the chemicals, liquids or gases that the insured has used in normal and usual agricultural operations; and
- (2) The chemicals, liquids or gases entered into the air by some means other than discharge, dispersal, release or escape from aircraft.

The term physical injury does not include any indirect or consequential damages such as loss, at any time, of market for crops or animals or of use of such animals.

The coverage applies only to physical injury that occurs during the policy period. The physical injury must be caused by an "occurrence". The "occurrence" must take place in the coverage territory.

b. We will have the right and duty to defend the insured against any suit seeking damages for covered physical injury. However, we will have no duty to defend the insured against any suit seeking damages for physical injury to which this insurance does not apply. We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result.

But:

- (1) The amount we will pay for damages is limited as described below in 3. Aggregate Limit of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable Aggregate Limit of Insurance in the payment of judgments

or settlements under Chemical Drift Liability Coverage.

As used in this Coverage M, the term "suit" means a civil proceeding in which damages because of physical injury to which such Coverage applies are alleged.

"Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit without consent;
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits without consent; or
- (3) An appeal of a civil proceeding.

c. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph 1. of Supplementary Payments.

**2. Exclusions**

**Chemical Drift Liability Coverage** does not apply to:

- a. Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of pollutants; or
  - (2) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of, chemicals, liquids or gases.

However, paragraphs (1) and (2) do not apply to liability for damages the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

b. Physical injury to crops or animals arising out of agricultural operations which are in violation of an ordinance or law.

c. Physical injury to crops or animals which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

d. Physical injury to crops or animals for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract", provided the physical injury occurs subsequent to the execution of the contract or agreement; or
- (2) That the insured would have in the absence of the contract or agreement.

With respect to Chemical Drift Liability Coverage, Paragraph f. of the "insured contract" definition is deleted and replaced by the following:

f. That part of a contract or agreement pertaining to your "farming" operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay a third person or organization for physical injury to crops or animals. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

However, Paragraph f. above does not include that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.

e. Physical injury to crops or animals you own, rent or borrow.

### 3. Aggregate Limit of Insurance for Chemical Drift Liability Coverage: \$25,000

a. Our total liability for Coverage M, Chemical Drift Liability Coverage, is the Aggregate Limit of Insurance stated above, unless a different Aggregate Limit of Insurance is stated for Coverage M in the Declarations.

b. The stated Aggregate Limit of Insurance applies separately to each "coverage form".

c. Therefore, the stated Aggregate Limit of Insurance is the most we will pay for the applicable period of time as described in b, above, regardless of the number of:

- (1) Occurrences
- (2) Insureds
- (3) Claims made or "suits brought" or
- (4) Persons or organizations making claims or bringing suits.

### 4. Section IV - Commercial General Liability Conditions applies to Chemical Drift Liability Coverage

5. Words and phrases (except "suit") used in this Chemical Drift Liability Coverage have meaning as defined in Section V - Definitions. Section V includes the defined terms added in this endorsement.

### D. Section II - Who is an Insured

Paragraph 1. is replaced by the following:

1. If you are designated in the Declarations as:
  - a. An individual, you are an insured, and they are members of your household, your spouse, and you and your spouse's relatives who are under the age of 21 and also insureds.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your "farming" operations.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your "farming" operations. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

**E. Section IV - Commercial General Liability Conditions**

The following is added to the **Duties in the Event of Occurrence, Offense, Claim or Suit** Condition:

We have no duty to provide coverage under this policy if failure to comply with the duties described in this Condition is prejudicial to us.

**F. Section V - Definitions**

1. The following definitions are added:

- a. "Custom farming" means performance of specific planting, cultivating, harvesting or other specific "farming" operations by an insured, at a farm that is not a "farm premises", when the performance is for and under the direction or supervision of the owner or operator of the farm or the authorized representative of the owner or operator.

But "custom farming" does **not** mean:

- (1) Operations conducted at a premises rented to, leased to or controlled by an insured;
- (2) Operations for which no compensation in money or goods is received; or
- (3) A neighborly exchange of services.

- b. "Farming" means the operation of an agriculture or aquaculture enterprise, and includes the operation of roadside stands, on your "farm premises" maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the Declarations, "farming" does not include:

- (1) Retail activity other than that described above; or
- (2) Mechanized processing operations.

- c. "Farm premises" means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":

- (1) Buildings used as residences;
- (2) Garages;
- (3) Stables; and

- (4) Individual or family cemetery plots or burial vaults.

- 2. The "your product" definition is deleted and replaced by the following with respect to coverage provided by this endorsement:

"Your product"

- a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You; or
- (b) Others trading under your name and

- (2) Containers (other than vehicles), materials, parts or component furnished in connection with such goods or products.

- b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and

- (2) The providing of or failure to provide warnings or instructions.

- c. Does not include property rented to or located for the use of others but not sold.

- 3. The definitions of "employee", "leased worker", "temporary worker" and "volunteer worker", as shown in Section V - Definitions of the Commercial General Liability Coverage Part, do not apply to the insurance provided under this endorsement.

**G. Additional Coverage - Custom Farming**

- 1. Insurance under the Commercial General Liability Coverage Form also applies with respect to liability arising out of the insured's performance of or failure to perform "custom farming" operations.

But this Additional Coverage will apply only if your records during the 12 months immediately preceding the date of the "occurrence" from such "custom farming" operations do not exceed \$5,000.

- 2. Exclusions 2.j.(4) and (6), 2.i. and 2.m. under Coverage A do not apply with respect to the Additional Coverage as described and limited in G.1, above.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE OR RECEIVER

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

Name Of Person(s) Or Organization(s)	Designation Of Premises
WHEN REQUIRED IN WRITTEN CONTRACT	REFERRED TO 1A9104

Information required to complete this Schedule, that shown above, will be shown in the Declarations

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you and shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED - TENANTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

### **SCHEDULE**

**Name of Tenant(s):**

WHEN REQUIRED IN WRITTEN CONTRACT

**Location:**

REFER TO 14904

- A. SECTION II - WHO IS AN INSURED** is amended to include as an insured the Tenant(s) shown in the Schedule but only with respect to liability arising out of your ownership, operation, maintenance or use of those areas provided for common use of your tenants at the Location described in the Schedule.
- B. The following exclusion is added to Paragraph 2. Exclusions of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY and Paragraph 2. Exclusions of SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY:**

This insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of negligence or willful misconduct of the additional insured or its "employees".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** With regard to liability for Bodily Injury, Property Damage and Personal and Advertising Injury, unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Part requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit" will bar coverage under this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES - POLLUTION EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following is added to Subparagraph f., **Pollution** of Paragraph 2., **Exclusions** of **Bodily Injury and Property Damage Liability Coverage (Section I - Coverages)** and to Paragraph 2., **Exclusions** of **Personal and Advertising Injury Liability Coverage (Section I - Coverages)** or to any amendment to or replacement thereof:

This Pollution Exclusion applies whether or not such irritant or contaminant has any function in your business, operations, premises, site or location.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED--CONDOMINIUM UNIT OWNERS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART.**

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - STATE OR GOVERNMENTAL  
AGENCY OR SUBDIVISION OR POLITICAL  
SUBDIVISION - PERMITS OR AUTHORIZATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**State Or Governmental Agency Or Subdivision Or Political Subdivision:**  
**TOWN OF MARANA, MARANA MUNICIPAL COMPLEX**  
**11555 W CIVIC CENTER DR**

**MARANA, AZ 85653-7002**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision shown in the Schedule, subject to the following provisions:

1. This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
  - b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
2. This insurance does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

- b. "Bodily injury" or "property damage" included within the "products-completed operations hazard".

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - STATE OR GOVERNMENTAL  
AGENCY OR SUBDIVISION OR POLITICAL  
SUBDIVISION - PERMITS OR AUTHORIZATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**State Or Governmental Agency Or Subdivision Or Political Subdivision:**  
OSCEOLA COUNTY BOARD OF COUNTY COMMISSIONERS  
C/O: DIRECTOR HUMAN RESOURCES  
1 COURTHOUSE SQ STE 4700  
KISSIMMEE, FL 34741-5440

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision shown in the Schedule, subject to the following provisions:

1. This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
  - b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
2. This insurance does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

- b. "Bodily injury" or "property damage" included within the "products-completed operations hazard".

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - STATE OR GOVERNMENTAL  
AGENCY OR SUBDIVISION OR POLITICAL  
SUBDIVISION - PERMITS OR AUTHORIZATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**State Or Governmental Agency Or Subdivision Or Political Subdivision:**  
**CITY OF STUART, A MUNICIPALITY OF THE STATE OF FLORIDA**  
**121 SW FLAGLER AVE**  
**STUART, FL 34994-2139**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision shown in the Schedule, subject to the following provisions:

1. This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
  - b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
2. This insurance does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

- b. "Bodily injury" or "property damage" included within the "products-completed operations hazard".

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED -  
MORTGAGEE, ASSIGNEE OR RECEIVER**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Person(s) Or Organization(s)	Designation Of Premises
JOHNSON BANK 3131 E CAMELBACK RD STE 100 PHOENIX, AZ 85016-4597	SEC LAKE PLEASANT PKWY & HAPPY VALEY RD PEORIA, AZ 85383
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you and shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Additional Insured Person(s) Or Organization(s):**

INTERNATIONAL COUNCIL OF SHOPPING CENTER  
1221 AVENUE OF THE AMERICAS FL 41  
NEW YORK, NY 10020-1001

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Additional Insured Person(s) Or Organization(s):**

LAS VEGAS CONVENTION CENTER  
3150 PARADISE RD  
LAS VEGAS, NV 89109-9096

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Additional Insured Person(s) Or Organization(s):**

GLOBAL EXPERIENCE SPECIALIST  
7000 LINDELL RD  
LAS VEGAS, NV 89118-4702

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Additional Insured Person(s) Or Organization(s):**

NAVY PIER  
600 E GRAND AVE  
CHICAGO, IL 60611-3419

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Additional Insured Person(s) Or Organization(s):**

FAIR OAKS LAND LLC  
856 N 600 E  
FAIR OAKS, IN 47943-8000

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than

that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE PROPERTY MANAGED**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to "property damage" to property you operate or manage or as to which you act as agent for the collection of rents or in any other supervisory capacity.

With respect to your liability arising out of your management of property for which you are acting as real estate manager this insurance is excess over any other valid and collectible insurance available to you.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - REAL ESTATE AGENTS OR BROKERS  
ERRORS OR OMISSIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph **2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph **2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES - GUARANTY ASSOCIATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY**

Missouri Property and Casualty Insurance Guaranty Association Coverage Limitations

- A.** Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
- B.** The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:
1. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or December thirty-first of the year

next preceding the date the insurer becomes insolvent; provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all its affiliates as calculated on a consolidated basis.

2. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES - MEDICAL PAYMENTS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Paragraph 1.a. of Coverage C. Medical Payments** is replaced with the following:

**1. Insuring Agreement**

- a.** We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1)** On premises you own or rent;
- (2)** On ways next to premises you own or rent; or
- (3)** Because of your operations;

provided that:

- (1)** The accident takes place in the "coverage territory" and during the policy period;
- (2)** The expenses are incurred and reported to us within one year of the date of the accident. However, expenses reported to us after one year of the date of the accident will not be denied solely because of the late submission unless such late submission operates to prejudice our rights; and
- (3)** The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **OHIO LIABILITY COVERAGE ENHANCEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The provisions of this endorsement apply only as respects Ohio Liability Coverage afforded hereunder.

- A.** For the purposes of this endorsement only, **SECTION I - COVERAGES** is amended to include the following:

#### **COVERAGE D. OHIO LIABILITY COVERAGE**

##### **1. Insuring Agreement**

- a.** We will pay those sums to which this insurance applies that the insured becomes legally obligated to pay as damages because of "bodily injury" sustained by any "employee" of the insured arising out of or in the course of his or her employment by the insured, provided the "employee", at the time of the injury, was covered under a workers compensation policy and subject to a "workers compensation law". We will have the right and duty to defend any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1)** The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS**.

- b.** This insurance applies to "bodily injury" only if:

- (1)** The "bodily injury" is caused by an "occurrence" that takes place in the "coverage territory".

- (2)** Except when **(3)** below applies, the "bodily injury" occurs during the policy period.

- (3)** Provided the "bodily injury" is a disease, the "bodily injury" is caused by or aggravated by conditions of employment by you and the injured "employee's" last day of last exposure to the conditions causing or aggravating such "bodily injury" occurs during the policy period.

- c.** The damages we will pay, where recovery is permitted by law, include damages:

**(1)** For:

- (a)** Which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of injury to your "employee";
- (b)** Care and loss of services; and
- (c)** Consequential "bodily injury" to a spouse, child, parent, brother or sister of the injured "employee";

provided that these damages are the direct consequence of "bodily injury" that arises out of and in the course of the injured "employee's" employment by you; and

- (2)** Because of "bodily injury" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

##### **2. Exclusions**

This insurance does not apply to:

**a. Contractual Liability**

Liability assumed by you under any contract or agreement;

**b. Punitive Damages**

Multiple, exemplary or punitive damages, including but not limited to any award of attorney fees, costs or interest awarded as a result of an award for multiple, exemplary or punitive damages;

**c. Violation of Laws**

"Bodily injury" suffered or caused by any "employee" while employed in violation of law with your actual knowledge or the actual knowledge of an insured;

**d. Statutory Obligations**

Any obligation of the insured under a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;

**e. Crew Members**

"Bodily injury" to a master or member of the crew of any vessel or any member of the flying crew of any aircraft;

**f. Termination, Coercion or Discrimination**

Damages arising out of coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee", or arising out of other employment or personnel decisions concerning the insured, whether or not accompanied by a "bodily injury";

**g. Intentional Injury**

"Bodily injury" caused by acts committed by or at the direction of an insured with the deliberate intent to injure or with the belief that the injury was substantially certain to occur. As used in this endorsement, substantially certain means that an insured acts with deliberate intent to cause an "employee" to suffer "bodily injury".

**h. War**

"Bodily injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these;

**i. Failure to Comply with Worker's Compensation Law**

Any claim or "bodily injury" with respect to which the insured is:

(1) Deprived of common law defenses; or

(2) Otherwise subject to penalty;

because of your failure to secure your obligations or other failure to comply with any "workers compensation law";

**j. Asbestos**

Damages arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

**k. Federal Laws**

Any premium, assessment, penalty, fine, benefit, liability or other obligation imposed by or granted pursuant to:

(1) The Federal Employer's Liability Act (45 USC Section 51-60);

(2) The Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173);

(3) The Longshore and Harbor Workers' Compensation Act (33 USC Sections 910-950);

(4) The Outer Continental Shelf Lands Act (43 USC Section 1331-1356);

(5) The Defense Base Act (42 USC Sections 1651-1654);

(6) The Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942);



(7) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872);

(8) Any other workers compensation, unemployment compensation or disability laws or any similar law; or

(9) Any subsequent amendments to the laws listed above;

**I. Violation of Age Laws or Employment of Minors**

"Bodily injury" suffered or caused by any person:

(1) Knowingly employed by you in violation of any law as to age; or

(2) Under the age of 14 years, regardless of any such law.

**3. Supplementary Payments**

The **SUPPLEMENTARY PAYMENTS - COVERAGES A and B** also apply to this insurance.

**B. WHO IS AN INSURED**

For the purposes of this endorsement only, **SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced by the following:

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only

with respect to their duties as trustees.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

**C. LIMITS OF INSURANCE**

For the purposes of this endorsement only, **SECTION III - LIMITS OF INSURANCE** is amended as follows:

Item 5. is deleted in its entirety and replaced by the following:

5. The Each Occurrence Limit is the most we will pay for damages under Coverage **D.** because of all "bodily injury" arising out of any one "occurrence".

**D. CONDITIONS**

For the purposes of this endorsement only, **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, Items 2. and 5. are deleted in their entirety and replaced by the following:

**2. Duties in the Event of Occurrence, Injury, Claim or Suit**

a. You must see to it that we or our agent are notified as soon as practicable of an "occurrence" or "bodily injury" which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or "bodily injury" took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers re-



ceived in connection with the injury, claim, proceeding or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us and assist us, as we may request, in the investigation or settlement of the claim or "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury to which this insurance may also apply; and
- (5) Do nothing after an injury occurs that would interfere with our right to recover from others.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

#### 5. Other Insurance

- a. Excess - This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis.

We will have no duty to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but will be entitled to the insured's right against all those other insurers.

We will pay the amount of the loss that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Condition and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations.

- b. Method of Sharing - If all other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

#### E. DEFINITIONS

For the purposes of this endorsement only, **SECTION V - DEFINITIONS** is amended as follows:

1. Definition **16.** is deleted in its entirety and replaced by the following:

16. "Occurrence" means a happening or event or continuous or repeated exposure to conditions which occur during the policy period which result in "bodily injury". All such exposure to substantially the same general conditions shall be deemed one "occurrence".

2. The following definition is added:

"Workers compensation law" means the workers compensation law and any occupational disease law of:

- a. The State of Ohio.
- b. Another state if the "employee" is injured as a result of operations which are necessary or incidental to the insured's Ohio operations.

This does not include provisions of any law providing non-occupational disability benefits.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL GENERAL LIABILITY EXTENDED  
ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

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• State Or Governmental Agency Or Subdivision Or Political Subdivision - Permits Or Authorizations Relating To Premises; and	
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**B. Limits Of Insurance:**

The Commercial General Liability Limits of Insurance apply to the insurance provided by this endorsement, except as provided below:

**1. Employee Benefit Liability Coverage**

Each Employee Limit: \$1,000,000  
Aggregate Limit: \$3,000,000  
Deductible Amount: \$ 1,000

**3. Damage To Premises Rented To You**

The lesser of:

- a. The Each Occurrence Limit shown in the Declarations; or
- b. \$500,000 unless otherwise stated \$ \_\_\_\_\_

**4. Supplementary Payments**

- a. Bail Bonds: \$2,500
- b. Loss Of Earnings: \$ 500

**8. Property Damage To Borrowed Equipment**

Each Occurrence Limit: \$10,000  
Deductible Amount: \$ 250

## C. Coverages

### 1. Employee Benefit Liability Coverage

- a. The following is added to **Section I - Coverages**:

#### **Employee Benefit Liability Coverage**

##### **(1) Insuring Agreement**

- (a) We will pay those sums that the insured becomes legally obligated to pay as damages caused by any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any claim or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in **Section III - Limits Of Insurance**; and

- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments**.

- (b) This insurance applies to damages only if the act, error or omission, is negligently committed in the "administration" of your "employee benefit program"; and
- 1) Occurs during the policy period; or

- 2) Occurred prior to the "first effective date" of this endorsement provided:

- a) You did not have knowledge of a claim or "suit" on or before the "first effective date" of this endorsement.

You will be deemed to have knowledge of a claim or "suit" when any "authorized representative";

- i) Reports all, or any part, of the act, error or omission to us or any other insurer;

- ii) Receives a written or verbal demand or claim for damages because of the act, error or omission; and

- b) There is no other applicable insurance.

##### **(2) Exclusions**

This insurance does not apply to:

- (a) **Bodily Injury, Property Damage Or Personal And Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".

- (b) **Dishonest, Fraudulent, Criminal Or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

**(c) Failure To Perform A Contract**

Damages arising out of failure of performance of contract by any insurer.

**(d) Insufficiency Of Funds**

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

**(e) Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation**

Any claim based upon:

- 1) Failure of any investment to perform;
- 2) Errors in providing information on past performance of investment vehicles; or
- 3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

**(f) Workers' Compensation And Similar Laws**

Any claim arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

**(g) ERISA**

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

**(h) Available Benefits**

Any claim for benefits to the extent that such benefits are available, with reasonable

effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

**(i) Taxes, Fines Or Penalties**

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

**(j) Employment-Related Practices**

Any liability arising out of any:

- (1) Refusal to employ;
- (2) Termination of employment;
- (3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment-related practices, acts or omissions; or
- (4) Consequential liability as a result of (1), (2) or (3) above.

This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

**(3) Supplementary Payments**

**Section I - Coverages, Supplementary Payments - Coverages A And B** also apply to this Coverage.

**b. Who Is An Insured**

As respects **Employee Benefit Liability Coverage, Section II - Who Is An Insured** is replaced by the following:

- (1) If you are designated in the Declarations as:
  - (a) An individual, you and your spouse are insureds, but only with respect to the con-

duct of a business of which you are the sole owner.

- (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds but only with respect to the conduct of your business.
  - (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - (d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - (e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- (2) Each of the following is also an insured:
- (a) Each of your "employees" who is or was authorized to administer your "employee benefit program";
  - (b) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed; or
  - (c) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- (3) Any organization you newly acquire or form, other than a partnership, joint venture or limited

liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However, coverage under this provision:

- (a) Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
- (b) Does not apply to any act, error or omission that was committed before you acquired or formed the organization.

### c. Limits Of Insurance

As respects **Employee Benefit Liability Coverage, Section III - Limits Of Insurance** is replaced by the following:

- (1) The Limits of Insurance shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** and the rules below fix the most we will pay regardless of the number of:
  - (a) Insureds;
  - (b) Claims made or "suits" brought;
  - (c) Persons or organizations making claims or bringing "suits";
  - (d) Acts, errors or omissions; or
  - (e) Benefits included in your "employee benefit program".
- (2) The Aggregate Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- (3) Subject to the limit described in (2) above, the Each Employee Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages sustained by any one "employee", including damages sustained by



such "employee's" dependents and beneficiaries, as a result of:

- (a) An act, error or omission; or
- (b) A series of related acts, errors or omissions, regardless of the amount of time that lapses between such acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program."

**(4) Deductible Amount**

- (a) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the Deductible Amount stated in the Declarations as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- (b) The Deductible Amount stated in the Declarations applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- (c) The terms of this insurance, including those with respect to:
  - 1) Our right and duty to defend the insured against any "suits" seeking those damages; and
  - 2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or claim;

apply irrespective of the application of the Deductible Amount.

- (d) We may pay any part or all of the Deductible Amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as we have paid.

**d. Additional Conditions**

As respects **Employee Benefit Liability Coverage, Section IV - Commercial General Liability Conditions** is amended as follows:

- (1) Item **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** is replaced by the following:

**2. Duties In The Event Of An Act, Error Or Omission, Or Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a claim. To the extent possible, notice should include:
  - (1) What the act, error or omission was and when it occurred; and
  - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

- (2) Item **5. Other Insurance** is replaced by the following:

**5. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when **c.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **b.** below.

**b. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**c. No Coverage**

This insurance shall not cover any loss for which the insured is entitled to recovery under any other insurance in force previous to the effective date of this Coverage Part.

**e. Additional Definitions**

As respects **Employee Benefit Liability Coverage, Section V - Definitions** is amended as follows:

- (1) The following definitions are added:

**1. "Administration" means:**

- a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Interpreting the "employee benefit programs";
- c. Handling records in connection with the "employee benefit programs"; or



- d. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include:

- a. Handling payroll deductions; or
  - b. The failure to effect or maintain any insurance or adequate limits of coverage of insurance, including but not limited to unemployment insurance, social security benefits, workers' compensation and disability benefits.
2. "Cafeteria plans" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
3. "Employee benefit programs" means a program providing some of all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
- a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
  - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employ-

ees" who are eligible under the plan for such benefits;

- c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and

- d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

4. "First effective date" means the date upon which coverage was first effected in a series of uninterrupted renewals of insurance coverage.

- (2) The following definitions are deleted in their entirety and replaced by the following:

8. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

21. "Suit" means a civil proceeding in which money damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or

- c. An appeal of a civil proceeding.

**2. Unintentional Failure To Disclose Hazards**

**Section IV - Commercial General Liability Conditions, 7. Representations** is amended by the addition of the following:

Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under this Coverage Part based solely on such failure.

**3. Damage To Premises Rented To You**

a. The last Paragraph of **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **c.** through **q.** do not apply to "property damage" by fire, explosion, lightning, smoke or soot to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the **Damage To Premises Rented To You** Limit as described in **Section III - Limits Of Insurance.**

b. The insurance provided under **Section I - Coverage A - Bodily Injury And Property Damage Liability** applies to "property damage" arising out of water damage to premises that are both rented to and occupied by you.

(1) As respects Water Damage Legal Liability, as provided in Paragraph **3.b.** above:

The exclusions under **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions**, other than **i. War** and the **Nuclear Energy Liability Exclusion (Broad Form)**, are deleted and the following are added:

This insurance does not apply to:

(a) "Property damage":

- (i) Assumed in any contract or agreement; or
- (ii) Caused by or resulting from any of the following:
  - 1) Wear and tear;

2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

3) Smog;

4) Mechanical breakdown, including rupture or bursting caused by centrifugal force;

5) Settling, cracking, shrinking or expansion;

6) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals; or

7) Presence, growth, proliferation, spread or any activity of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

(b) "Property damage" caused directly or indirectly by any of the following:

(i) Earthquake, volcanic eruption, landslide or any other earth movement;

(ii) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

(iii) Water under the ground surface pressing on, or flowing or seeping through:

1) Foundations, walls, floors or paved surfaces;

- 2) Basements, whether paved or not; or
  - 3) Doors, windows or other openings.
- (c) "Property damage" caused by or resulting from water that leaks or flows from plumbing, heating, air conditioning, fire protection systems, or other equipment, caused by or resulting from freezing, unless:
- (i) You did your best to maintain heat in the building or structure; or
  - (ii) You drained the equipment and shut off the water supply if the heat was not maintained.
- (d) "Property damage" to:
- (i) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or
  - (ii) The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet or ice, whether driven by wind or not.

**c. Limit Of Insurance**

With respect to the insurance afforded in Paragraphs 3.a. and 3.b. above, the **Damage To Premises Rented To You** Limit as shown in the Declarations is amended as follows:

- (1) Paragraph 6. of **Section III - Limits Of Insurance** is replaced by the following:
6. Subject to Paragraph 5. above, the **Damage To Premises Rented To You** Limit is the most we will pay under **Coverage A - Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises:
- a. While rented to you, or temporarily occupied by

you with permission of the owner;

- b. In the case of damage by fire, explosion, lightning, smoke or soot, while rented to you; or

- c. In the case of damage by water, while rented to and occupied by you.

- (2) The most we will pay is limited as described in Section **B. Limits Of Insurance, 3. Damage To Premises Rented To You** of this endorsement.

**4. Supplementary Payments**

Under **Section I - Supplementary Payments - Coverages A And B:**

- a. Paragraph 2. is replaced by the following:

Up to the limit shown in Section **B. Limits Of Insurance, 4.a.** Bail Bonds of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- b. Paragraph 4. is replaced by the following:

All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to the limit shown in Section **B. Limits Of Insurance, 4.b.** Loss Of Earnings of this endorsement per day because of time off from work.

**5. 180 Day Coverage For Newly Formed Or Acquired Organizations**

**Section II - Who Is An Insured** is amended as follows:

Subparagraph a. of Paragraph 3. is replaced by the following:

- a. Insurance under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

**6. Waiver Of Subrogation**

**Section IV - Commercial General Liability Conditions, 9. Transfer Of Rights Of**

**Recovery Against Others To Us** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization against whom you have agreed to waive such right of recovery in a written contract or agreement because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract or agreement with that person or organization and included in the "products-completed operations hazard". However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

**7. Automatic Additional Insured - Specified Relationships**

**a. The following is added to Section II - Who Is An Insured:**

- (1) Any person(s) or organization(s) described in Paragraph **7.a.(2)** of this endorsement (hereinafter referred to as additional insured) whom you are required to add as an additional insured under this Coverage Part by reason of a written contract, written agreement, written permit or written authorization.
- (2) Only the following persons or organizations are additional insureds under this endorsement, and insurance coverage provided to such additional insureds is limited as provided herein:

**(a) Managers Or Lessors Of Premises**

The manager or lessor of a premises leased to you with whom you have agreed per Paragraph **7.a.(1)** of this endorsement to provide insurance, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you, subject to the following additional exclusions:

This insurance does not apply to:

- (i) Any "occurrence" which takes place after you cease to be a tenant in that premises;
- (ii) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

**(b) Lessor Of Leased Equipment**

Any person or organization from whom you lease equipment when you and such person(s) or organization(s) have agreed per Paragraph **7.a.(1)** of this endorsement to provide insurance. Such person(s) or organization(s) are insureds only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s). A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends. However, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

**(c) Vendors**

Any person or organization (referred to below as vendor) with whom you have agreed per Paragraph **7.a.(1)** of this endorsement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

- (i) The insurance afforded the vendor does not apply to:

- 1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - 2) Any express warranty unauthorized by you;
  - 3) Any physical or chemical change in the product made intentionally by the vendor;
  - 4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - 5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - 6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - 7) Products which, after distribution or sale by you, have been labeled or re-labeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
  - 8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - a) The exceptions contained in Paragraphs (c) (i) 4) or 6) of this endorsement; or
    - b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (ii) This insurance does not apply to any insured person or organization:
- 1) From whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products; or
  - 2) When liability included within the "products-



completed operations hazard" has been excluded under this Coverage Part with respect to such products.

**(d) State Or Governmental Agency Or Subdivision Or Political Subdivision - Permits Or Authorizations Relating To Premises**

Any state or governmental agency or subdivision or political subdivision with which you have agreed per Paragraph **7.a.(1)** of this endorsement to provide insurance, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies:

- (i)** The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, man-holes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures; or
- (ii)** The construction, erection or removal of elevators; or
- (iii)** The ownership, maintenance or use of any elevators covered by this insurance.

**(e) Mortgagee, Assignee Or Receiver**

Any person or organization with whom you have agreed per Paragraph **7.a.(1)** of this endorsement to provide insurance, but only with respect to their liability as mortgagee, assignee, or re-

ceiver and arising out of the ownership, maintenance, or use of the premises by you. However, this insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**(3) The insurance afforded to additional insureds described in Paragraph **7.a.(1)** of this endorsement:**

- (a)** Only applies to the extent permitted by law; and
- (b)** Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and
- (c)** Does not apply to any person, organization, vendor, state, governmental agency or subdivision or political subdivision, specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, provided such other provision or endorsement covers the injury or damage for which this insurance applies.

**b. With respect to the insurance afforded to the additional insureds described in Paragraph **7.a.(1)** of this endorsement, the following is added to **Section III - Limits Of Insurance**:**

The most we will pay on behalf of the additional insured is the amount of insurance:

- (1)** Required by the written contract, written agreement, written permit or written authorization described in Paragraph **7.a.(1)** of this endorsement; or
- (2)** Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

- c. **Section IV - Commercial General Liability Conditions** is amended to include the following:

**Automatic Additional Insured Provision**

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

- (1) During the policy period; and
- (2) Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraph **7.a.(1)**.

- d. **Section IV - Commercial General Liability Conditions** is amended as follows:

Condition **5. Other Insurance** is amended to include:

**Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured per Paragraph **7.a.(1)** of this endorsement provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract, agreement, permit or authorization described in **7.a.(2)** of this endorsement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

**8. Property Damage To Borrowed Equipment**

- a. The following is added to **Exclusion 2.j. Damage To Property** under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

Paragraphs **(3)** and **(4)** of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

- b. With respect to the insurance provided by this section of the endorse-

ment, the following additional provisions apply:

- (1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in **Section B. Limits Of Insurance, 8. Property Damage To Borrowed Equipment** of this endorsement with respect to coverage provided by this endorsement. These limits are inclusive of and not in addition to the limits being replaced. The Limits of Insurance shown in **Section B. Limits Of Insurance, 8. Property Damage To Borrowed Equipment** of this endorsement fix the most we will pay in any one "occurrence" regardless of the number of:

- (a) Insureds;
- (b) Claims made or "suits" brought; or
- (c) Persons or organizations making claims or bringing "suits".

**(2) Deductible Clause**

- (a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated in **Section B. Limits Of Insurance, 8. Property Damage To Borrowed Equipment** of this endorsement. The limits of insurance will not be reduced by the application of such deductible amount.
- (b) **Section IV - Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**, applies to each claim or "suit" irrespective of the amount.
- (c) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

**9. Employees As Insureds - Specified Health Care Services And Good Samaritan Services**

Paragraph **2.a.(1)(d)** under **Section II - Who Is An Insured** does not apply to:

- a. Your "employees" who provide professional health care services on your behalf as a duly licensed nurse, emergency medical technician or paramedic in the jurisdiction where an "occurrence" or offense to which this insurance applies takes place; or
- b. Your "employees" or "volunteer workers", other than an employed or volunteer doctor, providing first aid or good samaritan services during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

**10. Broadened Notice Of Occurrence**

Paragraph **a.** of Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions** is replaced by the following:

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

This requirement applies only when the "occurrence" or offense is known to an "authorized representative".

**11. Nonowned Aircraft**

The following is added to **Exclusion 2.g. Aircraft, Auto Or Watercraft** under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

This exclusion does not apply to an aircraft you do not own, provided that:

- a. The pilot in command holds a current effective certificate, issued by a duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
- b. The aircraft is rented with a trained, paid crew; and
- c. The aircraft does not transport persons or cargo for a charge.

**12. Bodily Injury Redefined**

**Section V - Definitions, 4. "Bodily injury"** is replaced by the following:

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.

**13. Expected Or Intended Injury Redefined**

The last sentence of **Exclusion 2.a. Expected Or Intended Injury** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**14. Former Employees As Insureds**

The following is added to Paragraph **2.** under **Section II - Who Is An Insured**:

2. Each of the following is also an insured:

Any of your former "employees", directors, managers, members, partners or "executive officers", including but not limited to retired, disabled or those on leave of absence, but only for acts within the scope of their employment by you or for duties related to the conduct of your business.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

#### **SCHEDULE**

##### **Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management: I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

The following exclusion is added to Paragraph **2. Exclusions** of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

This insurance does not apply to liability arising out of one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ACCESS OR DISCLOSURE OF  
CONFIDENTIAL OR PERSONAL INFORMATION AND  
DATA-RELATED LIABILITY - WITH  
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** Exclusion **2.s.** of **Section I - Coverage A - Bodily Injury and Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

- s. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising

out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury".

- B.** The following is added to Paragraph **2. Exclusions** of **Section I - Coverage B - Personal and Advertising Injury Liability**:

**2. Exclusions**

This insurance does not apply to:

**Access or Disclosure of Confidential or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - LEAD LIABILITY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusions are added to Paragraph 2. **Exclusions** of **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. **Exclusions** of **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead in any form emanating from any source.
2. Any loss, cost or expense arising out of, resulting from or in any way related to any:
  - a. Claim, suit, request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead in any form; or
  - b. Claim or suit by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PENNSYLVANIA AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE FORM  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORMS  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM  
LIQUOR LIABILITY COVERAGE FORM**

### **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

#### **Exclusions**

**2.a.** is deleted and replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **a. Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL POLLUTANT EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, f. Pollutant** is replaced by the following:

This insurance does not apply to:

**f. Pollutant**

- (1)** "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.
- (2)** Any loss, cost or expense arising out of any:

- (a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** The following exclusion is added to Paragraph 2. Exclusions of **SECTION I - COVERAGES. COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a.** "Bodily injury" or "property damage" caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Absorption of;
- (5) Exposure to;
- (6) Existence of; or
- (7) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

- b.** Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;

- c.** Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (1) The existence of "fungi" or bacteria;

- (2) The prevention of "fungi" or bacteria;

- (3) The remediation of "fungi" or bacteria;

- (4) Any operation described in Paragraph **A. 2. b.** above;

- (5) "Your product"; or

- (6) "Your work"; or

- d.** Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **A. 2. a., b. or c.** above;

regardless of any other cause, event, material, product and / or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

- B.** The following exclusion is added to Paragraph 2. Exclusions of **SECTION I - COVERAGES. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY:**

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a.** "Personal and advertising injury" caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;

- (2) Ingestion of;

- (3) Contact with;

- (4) Absorption of;

- (5) Exposure to;

- (6) Existence of; or

- (7) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

- b. Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;
- c. Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:
  - (1) The existence of "fungi" or bacteria;
  - (2) The prevention of "fungi" or bacteria;
  - (3) The remediation of "fungi" or bacteria;

(4) Any operation described in Paragraph **B. 2. b.** above;

(5) "Your product"; or

(6) "Your work"; or

- d. Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **B. 2. a., b. or c.** above;

regardless of any other cause, event, material, product and / or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

- C. For the purposes of this endorsement, **SECTION V - DEFINITIONS** is amended to include the following:

"Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**MISSOURI CHANGES**  
**DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE,**  
**CLAIM OR SUIT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT**  
**COMMERCIAL GENERAL LIABILITY EXTENDED LIABILITY ENDORSEMENT**  
**CONTRACTORS' COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT**

It is agreed that Section **C. Coverages**,

1. Employee Benefit Liability Coverage, ~~d.(1)~~**2.b.** Additional Conditions is deleted in its entirety and replaced by the following:
  - b.** If a claim is made or "suit" is brought against any insured, you must see that we are notified as soon as practicable of the claim or "suit".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS CHANGES - KNOWN INJURY OR DAMAGE**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Paragraph d. of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 1. Insuring Agreement** is deleted in its entirety and replaced by the following:

- d.** You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes the "bodily injury" or "property damage";
- (4) Becomes aware by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware of a condition from which "bodily injury" or "property damage" was substantially certain to occur.

- B. SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, r. Additional Insured Prior Knowledge** is deleted in its entirety and replaced by the following:

**r. Additional Insured Prior Knowledge**

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, part-

ners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes the "bodily injury" or "property damage";
- (4) Becomes aware by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware of a condition from which "bodily injury" or "property damage" was substantially certain to occur.

- C. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 1. Insuring Agreement** is deleted in its entirety and replaced by the following:

**1. Insuring Agreement**

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I -**

**COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY; or medical expenses under SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS.**

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided

for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.**

b. This insurance applies to "personal and advertising injury" only if:

(1) The "personal and advertising injury" is caused by an offense arising out of your business; and

(2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period.

**D. COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions, q. Additional Insured Prior Knowledge** is deleted in its entirety.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **KANSAS CHANGES - TRANSFER OF RIGHTS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

Condition **9**. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (Section **IV**), does not apply to COVERAGE **C**. MEDICAL PAYMENTS.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INDEPENDENT CONTRACTORS AS INSURED -  
REAL ESTATE AGENTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**WHO IS AN INSURED** (SECTION II), Paragraph 2. is amended to include as an insured any independent contractor while acting as a sales person under your real estate brokers license, but only while acting within the scope of their duties as such.

# THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

## ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM DECLARATIONS

**NOTICE: INSURANCE COVERAGE UNDER ANY PARTICULAR COVERAGE INCLUDED WITHIN THIS FORM IS NOT IN FORCE UNLESS THE CORRESPONDING SECTION OF THESE DECLARATIONS HAS BEEN COMPLETED.**

Attached to and forming a part of POLICY NUMBER: EPP 053 36 25

Named Insured is the same as it appears in the Common Policy Declarations

**COVERAGE PROVISIONS** (Only those items marked by an ☒, where so indicated, are applicable):

### Limits of Insurance:

**Limit of Insurance:**

☐ Blanket:

☒ **Coverage A - Electronic Data Processing Property:** ..... \$

☒ See Scheduled  
Premises  
Endorsement

☒ **Coverage A - Coverage Extensions:**

**Limit of Insurance - Unless Otherwise Stated:**

a. <b>Debris Removal:</b> .....	\$50,000	-	\$
b. <b>Duplicate and Backup Electronic Media and Records:</b> .....	\$10,000	-	\$
c. <b>Off Premises:</b> 20% of the Coverage A Limit of Insurance subject to a maximum of: \$50,000			\$
d. <b>Pollutant Clean Up and Removal</b> .....	\$10,000	-	\$
e. <b>Recharge or Refill of a Fire Protection Device:</b> .....	\$50,000	-	\$
f. <b>Third Party Host:</b> .....	\$10,000	-	\$

**Limit of Insurance:**

☐ Blanket:

☒ **Coverage B - Business Income and Extra Expense:** ..... \$

☒ See Scheduled  
Premises  
Endorsement

☒ **Coverage C - Additional Coverages:**

**Limit of Insurance - Unless Otherwise Stated:**

1. <b>Denial of Service</b> .....	\$ 10,000	-	\$
2. <b>Loss Establishment Expenses</b> .....	\$ 5,000	-	\$
3. <b>Malicious Code</b> .....	\$ 10,000	-	\$
4. <b>Unauthorized Use</b> .....	\$ 10,000	-	\$

**Note:** The maximum aggregate Limit of Insurance for any Additional Coverage in any one "coverage term" is three times the Limit of Insurance stated here.

### Deductibles:

**Deductible:**

**Coverage A:**

**Basic:** ..... \$ 1,000

**Specified Losses:** ..... \$ 1,000

**Coverage B:**

(Hours) 24

### FORMS AND / OR ENDORSEMENTS APPLICABLE TO ELECTRONIC DATA PROCESSING

#### COVERAGE FORM:

MA123 08/07 ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM (EDP) -  
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MA4050 04/10 OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT

MA135 11/99 COMMERCIAL INLAND MARINE CONDITIONS

MA4015 06/07 SCHEDULED PREMISES ENDORSEMENT

**LOSS PAYEE (if any)**

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**SPECIAL PROVISIONS (if any)**

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## ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section V - Definitions**.

### Section I - Coverages

#### Coverage A - Electronic Data Processing Property

##### 1. Insuring Agreement

We will pay for "loss" to Covered Property resulting from a Covered Cause of Loss.

##### 2. Covered Property

Covered Property, as used in Coverage A of this Coverage Part, means the following type of property:

- a. Your "hardware";
- b. Climate control equipment, and other electrical equipment, used exclusively with your "hardware";
- c. Your "electronic media and records";
- d. Your "telecommunications equipment";
- e. Your programming documentation and instruction manuals; and
- f. Similar property of others in your care, custody or control,

While located:

- a. On your "premises" or within one thousand (1,000) feet thereof (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**); and
- b. In the "coverage territory" (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**).

##### 3. Property Not Covered

Covered Property does not include:

- a. "Electronic media and records" that cannot be replaced with similar property of like kind and quality.
- b. Property that you have rented or leased to another person or organization and is not at your "premises".
- c. Contraband or property in the course of illegal transit or trade.
- d. "Production equipment".
- e. Copyrights, patents, trademarks, trade secrets or other intellectual property.
- f. Personally identifiable information of persons or entities other than you or your employees.
- g. Property held as samples or for sale.
- h. Records of accounts receivable.
- i. Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- j. "Electronic securities", "evidences of debt", "money" and "securities".
- k. "Valuable papers and records".

##### 4. Covered Causes of Loss

Covered Causes of Loss, with respect to Coverage A, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

##### 5. Coverage Extensions

Unless stated otherwise, the Limits of Insurance referenced in the following Coverage Extensions are in addition to, and not included within, **Section III - Limits of Insurance and Deductibles, 1. Limits of Insurance** for Coverage A.

##### a. Debris Removal

- (1) We will pay your expense to remove the debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred-eighty (180) days of the date of direct "loss".

- (2) The most we will pay under this Coverage Extension is twenty-five (25) percent (%) of:

- (a) The amount we pay for the direct "loss" to Covered Property; plus  
(b) The deductible in this Coverage Part applicable to that "loss".

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage A. However, if:

- (a) The sum of direct "loss" and debris removal expense exceeds the Limit of Insurance for Coverage A; or  
(b) The debris removal expense exceeds the amount payable under the twenty-five (25) percent (%) limitation in this Coverage Extension;

we will pay up to the additional Limit of Insurance for Debris Removal stated in the Declarations for each "premises" in any one "occurrence".

- (3) This Coverage Extension does not apply to costs to:

- (a) Extract "pollutants" from land or water; or  
(b) Remove, restore or replace polluted land or water.

**b. Duplicate and Backup Electronic Media and Records**

We will pay up to the Limit of Insurance for Duplicate and Backup Electronic Media and Records stated in the Declarations in any one "occurrence" for "loss" to "electronic media and records" due to a Covered Cause of Loss while such property is stored away from your "premises" other than "temporarily".

This Coverage Extension does not apply to "loss" insured under the Third Party Host Coverage Extension.

**c. Off Premises**

We will pay up to the Limit of Insurance for Off Premises stated in the Declarations in any one "occurrence" for "loss" to Covered Property due to a Covered Cause of Loss while such property is away from your "premises":

- (1) "Temporarily" in transit;

- (2) "Temporarily" in storage; or

- (3) In the custody of your employee for the purpose of conducting your business.

This is not an additional Limit of Insurance. It is included within the Coverage A Limit of Insurance.

This Coverage Extension applies to Covered Property whether or not it is located within the "coverage territory".

If the Limit of Insurance stated in the Declarations is other than the \$50,000 maximum stated, then the Limit of Insurance that applies to all "loss" in any one "occurrence" is the greater of the limit stated or the twenty percent (20%) of the Coverage A Limit of Insurance limitation.

**d. Pollutant Clean Up and Removal**

- (1) We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants":

- (a) Is from Covered Property;  
(b) Is caused by a Covered Cause of Loss; and  
(c) Occurs during the policy period.

The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the Covered Cause of Loss occurs.

- (2) This Coverage Extension does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

- (3) The most we will pay under this Coverage Extension for each "premises" for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term" is the Limit of Insurance stated in the Declarations for Pollutant Clean Up and Removal.

**e. Preservation of Property**

If it is necessary to move Covered Property from the "premises" to preserve it from "loss" by a Covered Cause of Loss, we will pay for any direct "loss" to that property:

- (1) While it is being moved or while "temporarily" stored at a location other than a "premises"; and
- (2) Only if the "loss" occurs within thirty (30) days after the property is first moved.

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage **A**.

**f. Recharge or Refill of a Fire Protection Device**

We will pay for your expense to recharge or refill any fire protective devices that are designed specifically to protect Covered Property when these devices have been discharged in a "loss" insured by Coverage **A** of this Coverage Part or have been accidentally discharged. The most we will pay in any one "loss" or "sudden and accidental" discharge is the Limit of Insurance for Recharge or Refill of a Fire Protection Device stated in the Declarations.

**g. Third Party Host**

We will pay up to the Limit of Insurance for Third Party Host stated in the Declarations in any one "occurrence" for "loss" to:

Your "electronic media and records" away from your "premises" due to a Covered Cause of Loss, but only while such "electronic media and records" are hosted in the "hardware" of a third party information technology provider, with whom you have directly contracted for such service.

This is not an additional Limit of Insurance. It is included within the Coverage **A** Limit of Insurance.

This Coverage Extension:

- (1) Applies to "electronic media and records" whether or not they are located within the "coverage territory"; and
- (2) Does not apply to "loss" insured under the Duplicate and Backup Electronic Media and Records Coverage Extension.

**h. Newly Acquired Property**

We will provide coverage as follows:

- (1) On newly acquired Covered Property up to the total limit shown on the Declarations Page for Total Covered Property whether located at a current location or newly acquired location,

but in no event shall we pay more than \$250,000 under this Coverage Extension for any one "loss".

You will report such newly acquired property, or Covered Property already insured by this policy which is moved to a newly acquired location, to us within 90 days from the date the Covered Property is acquired or moved, as the case may be, and pay any additional premium due. If you do not report such property or movement of property, coverage will cease automatically after the 90 days has elapsed. However, in no event shall coverage be extended beyond the expiration of this policy.

**Coverage B - Business Income and Extra Expense**

**1. Insuring Agreement**

We will pay your actual loss of "business income" as well as "extra expense" that results from the necessary "suspension" of your "operations" during the "period of restoration" due to "loss" to Covered Property resulting from a Covered Cause of Loss.

**2. Covered Property**

Covered Property, as used in Coverage **B** of this Coverage Part, is the same as that applicable to Coverage **A**.

**3. Property Not Covered**

Covered Property does not include Property Not Covered under Coverage **A**.

**4. Covered Causes of Loss**

Covered Causes of Loss, with respect to Coverage **B**, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

**5. Additional Coverage**

This Additional Coverage does not provide additional Limits of Insurance.

**Extended Business Income**

If the necessary "suspension" of your "operations" produces a "business income" loss payable under this Coverage Part, we will pay for the actual loss of "business income" you incur during the period that:

- a. Begins on the date Covered Property is actually repaired, rebuilt or replaced and "operations" are resumed; and
- b. Ends on the earlier of:

- (1) The date you could restore your "operations", with reasonable speed, to the level which would generate the "business income" that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or

- (2) Sixty (60) consecutive days after the date determined in **5.a.** above.

However, Extended Business Income does not apply to loss of "business income" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where your "premises" are located.

### **Coverage C - Additional Coverages**

The Limits of Insurance provided in the following Additional Coverages are included within and are not in addition to the Limits of Insurance applicable to Coverages **A** or **B**, unless stated otherwise therein.

#### **1. Denial of Service**

We will pay up to the Limit of Insurance stated in the Declarations for Denial of Service for loss of "business income" or "extra expense" under Coverage **B** caused by a "denial of service".

#### **2. Loss Establishment Expenses**

Subsequent to the detection of a potential "loss" insured under Coverage **A** or **B**, we will pay up to the Limit of Insurance stated in the Declarations for "loss establishment expenses" incurred within ninety (90) days of the detection of the "loss" or potential "loss".

This Limit of Insurance is in addition to the Limits of Insurance for Coverages **A** and **B**.

#### **3. Malicious Code**

We will pay up to the Limit of Insurance stated in the Declarations for Malicious Code for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from the introduction of a "malicious code" to your "electronic media and records" or "hardware" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;

- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

#### **4. Unauthorized Use**

We will pay up to the Limit of Insurance stated in the Declarations for Unauthorized Use for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from "unauthorized use" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;
- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

### **Section II - Exclusions**

#### **Coverage A - Electronic Data Processing Property and Coverage B - Business Income and Extra Expense - Exclusions**

The following exclusions apply to Coverages **A** and **B**, unless stated otherwise herein:

1. We will not pay for a "loss", loss of "business income" or "extra expense" caused directly or indirectly by any of the following. Such "loss", loss of "business income" or "extra expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss", loss of "business income" or "extra expense":

##### **a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Part.

##### **b. Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause.
- c. Satellite Communications**
- The disruption or failure of any satellite communication system, or any part thereof.
- d. War and Military Action**
- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
- e. Utility Interruption**
- The intentional suspension of any utility service by you or the utility provider.
- f. Tidal Wave or Tsunami**
- Tidal wave or tsunami, even if attributable to an earthquake or volcanic eruption.
2. We will not pay for "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following:
- a.** Delay or loss of market, except as may be provided under Coverage B.
- b.** Dishonest or criminal acts by you, any of your partners, directors, trustees, officers, members or managers (if you are a limited liability company) or anyone entrusted with the property, except employees, whether or not acting alone or in collusion with others or whether or not occurring during the hours of employment. But this exclusion does not apply to a carrier for hire.
- c.** Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".
- d.** Interruption, disruption, or slow down in normal network service or function due to activity on the network or network server.
- This exclusion does not apply to "denial of service".
- e.** Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- f.** Unauthorized instructions to transfer property to any person or to any place.
- g.** Bookkeeping, accounting or billing errors or omissions.
- h.** Any processing or work upon Covered Property. But if "loss" by fire results, we will pay for that resulting "loss", loss of "business income" or "extra expense".
- i.** "Denial of service", "malicious code" or "unauthorized use".
- However, this exclusion shall not apply to the extent that insurance coverage is provided under **Section I - Coverages, Coverage C - Additional Coverages**.
3. We will not pay for a "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following. But if "loss", loss of "business income" or "extra expense" caused by a Covered Cause of Loss results, we will pay for that resulting "loss", loss of "business income" or "extra expense":
- a.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- b.** Wear and tear, hidden or latent defect, gradual deterioration, or depreciation.
- c.** The failure of "hardware" or "electronic media and records" to function as designed or anticipated to function by you or any other person or organization providing, designing or recommending said "hardware" or "electronic media and records" to you.
- However, this exclusion will not apply if the failure of "hardware" or "electronic media and records" to function is caused by:
- (1) A Covered Cause of Loss emanating from a source external to the "hardware" or "electronic media and records"; or
- (2) The "sudden and accidental" "mechanical breakdown" of "hardware".



4. Insurance provided by Coverages **A** and **B** does not apply to:

a. Payment of costs, fees, or other expenses you incur in establishing either the existence or the amount of "loss", loss of "business income" or "extra expense", except as provided for under **Section I - Coverages, Coverage C - Additional Coverages, 2. Loss Establishment Expenses**.

b. "Loss", loss of "business income" or "extra expense", or any part thereof, the proof of which as to its existence or amount is dependent solely upon:

- (1) An inventory computation;
- (2) A profit and loss computation; or
- (3) An audit of records.

5. Insurance provided by Coverage **A** does not apply to loss of "business income" or "extra expense".

**Section III - Limits of Insurance and Deductibles**

**1. Limits of Insurance**

a. The most we will pay for any one "occurrence" is the applicable Limits of Insurance for Coverages **A** and **B** and **Coverage C - Additional Coverages, 2. Loss Establishment Expenses** stated in the Declarations or any endorsement amendatory thereof.

b. With respect to **Section I - Coverages, Coverage C - Additional Coverages**:

(1) Under **Coverage C - Additional Coverages, 2. Loss Establishment Expenses**, we will not pay more than the lesser of:

- (a) The Limit of Insurance stated in the Declarations for Loss Establishment Expenses; or
- (b) The actual cost of the "loss" insured under Coverages **A** or **B** in "Loss establishment expenses".

(2) In the event that a single "occurrence" involves one or more of the following:

- (a) "Denial of service";
- (b) "Malicious code"; or
- (c) "Unauthorized use",

the most we will pay in total is the single highest Limit of Insurance ap-

plicable to the Additional Coverages applicable to the "loss".

(3) The most we will pay for all "loss" in any "coverage term" for each Additional Coverage is three times the Limit of Insurance stated for each in the Declarations.

**2. Deductibles**

**a. Coverage A**

We will not pay for "loss" in any one "occurrence" until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Deductible section of the Declarations for Coverage **A**. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

(1) The Basic Deductible shown on the Declarations applies to "loss" from all Covered Causes of Loss except those referenced in (2) below.

(2) The Specified Losses Deductible shown on the Declarations applies to "loss" caused by "sudden and accidental" "mechanical breakdown" or artificially generated electrical disturbance.

**b. Coverage B**

We will not pay your actual loss of "business income" or "extra expense" arising from any one "loss" until and unless the necessary "suspension" of your "operations" has exceeded the Deductible in hours stated in the Declarations for Coverage **B**. We will then pay the amount of your actual loss of "business income" or "extra expense" in excess of the Deductible, up to the Limit of Insurance.

**c. Coverage C**

We will not pay for "loss", loss of "business income", "extra expenses" or "loss establishment expenses" under **Section I - Coverages, Coverage C - Additional Coverages** unless and until an insured "loss", loss of "business income" or "extra expenses" under Coverage **A** or **B** exceeds their deductible.

**Section IV - Additional Conditions**

The following Conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**1. Coverage A - Electronic Data Processing Property - Conditions**

The following Condition applies to Coverage **A** only:

**Valuation**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, F. Valuation** is replaced by the following with respect to Covered Property under Coverage **A**:

- a. Valuation of Covered Property under Coverage **A**, other than that described in Paragraph **b.** below:

If you repair or replace this property with due diligence following "loss", the property will be valued at the full cost of repair or replacement. However, the most we will pay is the least of the following:

- (1) The cost of replacing that property with property of similar or greater quality and function, provided the cost is no greater than the original purchase price of the property plus twenty (20) percent (%);
- (2) The amount you actually and necessarily spend to repair or replace the property; or
- (3) The Limit of Insurance applicable to the property.

If you do not repair or replace this property with due diligence following "loss", the most we will pay will be the least of the following:

- (a) The "actual cash value" of the property;
- (b) The "actual cash value" of repairs with material of like kind and quality; or
- (c) The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in "money".

In the event of "loss", the value of property will be determined as of the date of "loss".

- b. Valuation of "electronic media and records":
- (1) We will not pay for more than the actual reproduction costs of covered "electronic media and records".
  - (2) But we will not pay the cost to duplicate research or operations that were developed away from your "premises" that led to the develop-

ment of your "electronic media and records" or that led to the development of any proprietary or confidential information or intellectual property.

- (3) If you do not replace or reproduce the "electronic media and records", the most we will pay is the cost of blank "electronic media and records".

The most we will pay is the Limit of Insurance shown on the Declarations.

**2. Coverage B - Business Income and Extra Expense - Conditions**

The following Conditions apply to Coverage **B** only:

**a. Appraisal**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, B. Appraisal** is replaced by the following:

If you and we disagree on the amount of Net Income and operating expense or the amount of loss, either may make a written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that a judge of a court having jurisdiction make selection. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**b. Loss Determination**

- (1) The amount of "business income" loss will be determined based on:
  - (a) The Net Income of the business before the Covered Cause of Loss occurred;
  - (b) The likely Net Income of the business if no Covered Cause of Loss had occurred, but not including any Net Income that likely would have resulted from an increase in the volume of

business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

- (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the Covered Cause of Loss; and
- (d) Other relevant sources of information, including:

- 1) Your financial records and accounting procedures;
- 2) Bills, invoices and other vouchers; and
- 3) Deeds, liens or contracts.

- (2) The amount of "extra expense" will be determined based on:

- (a) All necessary and reasonable expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no Covered Cause of Loss had occurred. We will deduct from the total of such expenses:

- 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
- 2) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- (b) All necessary and reasonable expenses that reduce the "business income" loss that otherwise would have been incurred.

### c. Resumption of Operations

- (1) We will reduce the amount of your:

- (a) "Business income" loss other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise

or stock) at the "premises" or elsewhere.

- (b) "Extra expense" loss to the extent you can return "operations" to normal and discontinue such "extra expense".

- (2) If you do not resume "operations" or do not resume "operations" as quickly as possible, we will pay based on the length of time it should have taken with due diligence to resume operations as quickly as possible.

### 3. Common Conditions

The following Conditions apply to all Coverages provided under this Coverage Part:

#### a. Duties in the Event of Loss

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, C. Duties in the Event of Loss** is replaced by the following:

- (1) In the event of:

- (a) "Loss" to Covered Property; or
- (b) Loss of, or loss from damage to Covered Property, or a situation that may result in loss of, or loss from damage to Covered Property,

You must see that the following are done:

- 1) Notify the police if a law may have been broken.
- 2) Notify us as soon as possible. Include a description of any property involved.
- 3) As soon as possible, give us a description of how, when and where the loss occurred.
- 4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside in the best possible order for examination.



- 5) As often as may be reasonably required, permit us to:
    - a) Inspect the property proving the loss;
    - b) Examine your books, records, "electronic media and records" and "hardware";
    - c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
    - d) Make copies from your books, records, "electronic media and records" and "hardware".
  - 6) Send us signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - 7) Cooperate with us in the investigation or settlement of the claim.
  - 8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
  - 9) Make no statement that will assume any obligation or admit any liability, for any loss for which we may be liable, without our prior written consent.
  - 10) Promptly send us any legal papers or notices received concerning the loss.
- (2) We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

**b. Blanket Insurance**

If blanket insurance is indicated (☒) in the Declarations, the Limit of Insurance for that Coverage applies to all "premises" within the "coverage territory".

**c. Joint Insured**

- (1) If more than one Insured is named in the Declarations, the first Named In-

sured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered under this policy, then the next Named Insured will become the first Named Insured.

- (2) If any Insured or partner, officer, or member or manager (applicable to limited liability companies) of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An employee of any Insured is considered to be an employee of every Insured.
- (4) If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

**d. Legal Action Against Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, B. Legal Action Against Us** is replaced by the following:

No one may bring legal action against us under this Coverage Part unless:

- (1) There has been full compliance with all the terms of this Coverage Part;
- (2) At least ninety (90) days has passed since you filed proof of loss with us; and
- (3) Brought within two (2) years from the date you discover the loss in question.

**e. Loss Payee**

For Covered Property in which both you and a Loss Payee listed in the Declarations have an insurable interest, we will:

- (1) Adjust "losses" with you; and
- (2) Pay any claim for insured "loss" jointly to you and the Loss Payee, as interests may appear.

**f. Multi-Year Policies**

If this Coverage Part is issued for more than one annual policy period, the premium may be adjusted at the inception of each following "coverage term" based on our rates in effect at that time.

**g. Non-Accumulation of Limits of Insurance**

Regardless of the number of "coverage terms" this insurance remains in force or the number of premiums paid, no Limit of Insurance accumulates from year to year or period to period.

**h. Other Insurance**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, F. Other Insurance** is replaced by the following:

- (1) If you have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- (2) If there is other insurance covering the same loss or damage, other than that described in (1) above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- (3) Irrespective of Paragraphs h.(1) or (2) above, this Coverage Part is always excess of a "service agreement". We will pay only the amount of insured "loss" that is not covered by the "service agreement" in the form of repairs or other compensation. But we will not pay more than the applicable Limit of Insurance.

**i. Protective Safeguards**

You must maintain the protective safeguards stated by you to be in effect at a "premises" when this coverage began.

If you fail to keep the protective safeguards:

- 1) In working condition at a "premises"; and
- 2) In operation when you are closed to business;

Coverage for which the protective safeguards apply is automatically suspended at that "premises" if you fail to notify us immediately. This suspension will last until the equipment or services are back in operation.

**j. Recoveries**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, I. Recoveries** is replaced by the following:

- (1) Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
  - (a) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance plus the Deductible Amount, if any;
  - (b) Then to us, until we are reimbursed for the settlement made;
  - (c) Then to you, until you are reimbursed for that part of loss equal to the Deductible Amount, if any.
- (2) You will pay us the amount of all recoveries you receive for a "loss" paid by us. But any recoveries in excess of the amount we have paid belong to you.
- (3) Recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for our benefit.

**k. Transfer of Your Rights of Recovery Against Others to Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, K. Transfer of Rights of Recovery Against Others to Us** is replaced by the following:

You must transfer to us all of your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

**Section V - Definitions**

The following terms, when appearing in quotation marks, have the following meanings wherever used in this Coverage Part:

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.

2. "Business income" means the:
  - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses incurred, including payroll.
3. "Computer system" means a configuration of "hardware" and "electronic media and records", including "telecommunications equipment" which may be integrated into or connected to such "hardware", purposely designed to perform a particular function or functions.
4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
5. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
6. "Denial of service" means the malicious and intentional inundating of your "computer system" with messages, instructions, queries or requests that deplete resources enough to restrict, limit or prevent access for the purposes of nuisance, sabotage or malicious tampering which has the effect of:
  - a. Depleting system resources available through the Internet to authorized external users of your "computer system"; and
  - b. Impeding Internet access of authorized external users to your "computer system".
7. "Electronic media and records" means information, facts, instructions, concepts and programs converted and stored in a form usable in "hardware". It also includes the materials, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs, upon which such information, facts, instructions, concepts and programs are recorded and stored.
8. "Electronic securities" means any share, participation, or other interest in property of, or an enterprise of, the issuer or an obligation of the issuer which:
  - a. Is a type commonly dealt in upon securities exchanges or markets;
  - b. Is either one of a class or series or by its terms divisible into a class or series of shares, participations, interests, or obligations; and
    - (1) Is not represented by an instrument;
    - (2) Is part of a master or global certificate; or
    - (3) Represents a paper certificate that has been surrendered by a financial institution and which paper certificate has been combined into a master depository note and the paper certificates are immobilized and such security is shown as an electronic entry on the account of the transferor, pledgor, or pledgee on the books of a Central Depository.
9. "Evidences of debt" means instruments executed by your customer and held by you which in the regular course of business are treated as evidencing the customer's debt to you, including records of charges and accounts receivable.
10. "Extra expense" means the necessary and reasonable expenses you incur during the "period of restoration" that you would not have incurred if there had been no "loss" due to a Covered Cause of Loss to Covered Property.
11. "Hardware" means an assemblage of electronic machine components capable of accepting and processing "electronic media and records" for the purpose of producing desired results.

However, "hardware" does not include "telecommunications equipment".
12. "Loss" means:

- a. "Sudden and accidental" physical loss or physical damage; and
  - b. With respect only to "denial of service", "malicious code" or "unauthorized use", also includes "sudden and accidental" damage, loss of use, loss of access or loss of functionality.
13. "Loss establishment expenses" means actual and necessary expenses incurred at our request to assist you in establishing either the existence or the amount of loss insured under this Coverage Part.
14. "Malicious code" means a computer code created for the purpose of destroying, corrupting or otherwise adversely affecting a "computer system".
15. "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blow-out.
16. "Money" means:
- a. Currency, coins, and bank notes in current use and having a face value;
  - b. Travelers checks, registered checks, and money orders held for sale to the public; and
  - c. Electronic cash equivalents.
17. "Occurrence" means an act or event or a series of related acts or events that result in a Covered Cause of Loss.
18. "Operations" means your business activities occurring at the "premises".
19. "Other property" means any tangible property of value other than "money", "securities", "electronic securities", or "electronic media and records".
- However, "other property" does not include copyrights, patents, trademarks, trade secrets or other intellectual property.
20. "Period of restoration" means that period of time that:
- a. Begins with the end of the time deductible for Coverage **B** referenced in the Declarations. Such deductible commences on the date and time of direct "loss" to Covered Property due to a Covered Cause of Loss; and
  - b. Ends on the earlier of:
    - (1) The date you could restore your "operations", with reasonable speed, to the condition that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or
    - (2) As long as it would reasonably take to repair, rebuild or replace the damaged Covered Property.
21. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
22. "Premises" means any building you lease, rent or own and while you occupy it in conducting your business.
23. "Production equipment" means any machinery and related components, including any integrated or dedicated "computer system", which is used, or can be used, to produce or process other tangible property.
24. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or "other property" and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - b. "Evidences of debt" issued in connection with credit or charge cards not issued by you.
25. "Service agreement" means a service plan or warranty, or other similar service or warranty agreement, even if it is characterized as insurance.
26. "Specified causes of loss" means: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
- a. Sinkhole collapse means the "sudden and accidental" sinking or collapse of

- land into underground empty spaces created by the action of water on limestone or dolomite. This cause of "loss" does not include:
- (1) The cost of filling sinkholes; or
  - (2) Sinking or collapse of land into manmade underground cavities.
- b. Falling objects does not include "loss" to:
- (1) Covered Property in the open; or
  - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means "sudden and accidental" discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
27. "Sudden and accidental" means abrupt, immediate and brief as well as unintended and unexpected and without prior notice.
28. "Suspension" means the complete or partial cessation of your business activities.
29. "Telecommunications equipment" means telephones, including any related switching systems or similar equipment, fax machines and other similar equipment used to transmit voice or "electronic media and records" communications over telephone lines, data lines or air waves.
- However, "telecommunications equipment" does not include "hardware".
30. "Temporarily" means:
- a. Not permanently; and
  - b. For a period of 30 consecutive days or less.
31. "Unauthorized use" means:
- a. Illegal or malicious entry into your "computer system" by a person not authorized to do so by you which results in the distortion or corruption of such "computer system"; or
  - b. Entry into or use of your "computer system" by a party:
    - (1) Not authorized by you to do so; or
    - (2) Authorized by you to do so, but who does so to use it in an unauthorized manner,Which results in the distortion or corruption of your "computer system".
32. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE PART**

**Section IV - Additional Conditions, 3. Common Conditions** is amended to include the following:

#### **Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**C. Duties in the Event of Loss**

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
5. Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our consent.
6. Permit us to inspect the property and records proving "loss".

7. If requested, permit us to question you under oath, at such times as may be reasonably required, about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.

8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Promptly send us any legal papers or notices received concerning the "loss".

10. Cooperate with us in the investigation or settlement of the claim.

**D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

**E. Loss Payment**

We will pay or make good any "loss" covered under this Coverage Part within 30 days after:

1. We reach agreement with you;
2. The entry of final judgment; or
3. The filing of an appraisal award.

We will not be liable for any part of a "loss" that has been paid or made good by others.

**F. Other Insurance**

If you have other insurance covering the same "loss" as the insurance under this Coverage Part, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not.

**G. Pair, Sets or Parts**

1. Pair or Set

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

2. Parts

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### **H. Privilege to Adjust with Owner**

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

#### **I. Recoveries**

Any recovery or salvage on a "loss" will accrue entirely to our benefit until the sum paid by us has been made up.

#### **J. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which event we will refund the unearned premium on that item.

#### **K. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them.

### **GENERAL CONDITIONS**

#### **A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;

3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

#### **B. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the "loss".

#### **C. Liberalization**

If, within 45 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

#### **D. No Benefit to Bailee**

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

#### **E. Policy Period**

We cover "loss" commencing during the policy period shown in the Declarations.

#### **F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before "loss"; or
3. The cost of replacing that property with substantially identical property.

In the event of "loss", the value of property will be determined as of the time of "loss".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULED PREMISES ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE PART**

**I. Schedule:**

<b>Location Number</b>	<b>Coverage A Limit of Insurance</b>	<b>Coverage B Limit of Insurance</b>
1 - 1	470,000	10,000

**Blanket Insurance:**

<b>Location Number</b>	<b>Coverage A Limit of Insurance</b>	<b>Coverage B Limit of Insurance</b>
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**Newly Acquired Property**

Limit of Insurance: \$250,000 - Unless Otherwise Stated

**II. Section I - Coverages** is amended as follows:

**Section I - Coverages, Coverage A - Electronic Data Processing Property, Paragraph 5. Coverage Extensions** is amended to include the following:

**NEWLY ACQUIRED PROPERTY**

- (1) We will pay up to the Limit of Insurance for Newly Acquired Property stated in the Schedule of this endorsement in any one "occurrence" for "loss" to "newly acquired" Covered Property due to a Covered Cause of Loss:
  - (a) In excess of the Limit of Insurance for Coverage **A** applicable to the "premises" stated in the Schedule of this endorsement; or
  - (b) At a location you lease, rent or own in the "coverage territory" and while you occupy it in conducting your business, but which has not yet been reported to us as a "premises".
- (2) You will report such "newly acquired" Covered Property to us within ninety (90) days of its acquisition and pay any additional premium due. Insurance coverage under this Coverage Extension ceases at the earlier of:
  - (a) Ninety (90) days elapsing from the date of acquisition; or
  - (b) The expiration of the policy period.

**III. Section IV - Additional Conditions** is amended as follows:

- 3. Common Conditions, b. Blanket Insurance** is hereby deleted and replaced by the following:

**b. Blanket Insurance**

If blanket insurance is indicated by (☒) in the Schedule of the Scheduled Premises Endorsement, the Limit of Insurance for each Coverage applies to all "premises" listed in the endorsement.

**IV. Section V - Definitions** is amended as follows:

**A. Definition 22.** "Premises" is hereby deleted and replaced by the following:

**22.** "Premises" means any building located at an address referenced in the Schedule of the Scheduled Premises Endorsement you lease, rent or own and while you occupy it in conducting your business.

**B. The following definition is added:**

"Newly acquired" means:

**a.** First acquired; or

**b.** First moved to a new location within the "coverage territory" not yet reported to us as a "premises",

since the inception of the current "coverage term".

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

SIGNS COVERAGE PART DECLARATIONS

Attached to and forming part of POLICY NUMBER: **EPP 053 36 25**

Named Insured is the same as it appears in the Common Policy Declarations

Loc. No.                      Location (address)

COVERAGE PREMIUM: INCL  
COVERAGE PROVISIONS

Item      Lettering			
A.		Limit of Insurance	Ded.
Loc. No.			
	BLANKET LOCATIONS	\$      175,000	5%
B.	All Covered Property at all locations	\$      175,000	

DEDUCTIBLE

The Deductible amount is:    ☐ Full Coverage    ☐ 5%    **SEE ABOVE**

FORMS AND / OR ENDORSEMENTS APPLICABLE TO SIGNS COVERAGE

CM0028      07/90    SIGNS COVERAGE FORM  
MA135      11/99    COMMERCIAL INLAND MARINE CONDITIONS

LOSS PAYEE (if any)

SPECIAL PROVISIONS (if any)

## QUICK REFERENCE

### COMMERCIAL INLAND MARINE COVERAGE PART

READ YOUR POLICY CAREFULLY

#### DECLARATIONS PAGE

Named Insured

Coverages and Limits of Insurance

#### COVERAGE FORM(S)

##### A. COVERAGE

1. Covered Property
2. Property Not Covered
3. Covered Causes of Loss
4. Additional Coverage - Collapse

##### B. EXCLUSIONS

- Governmental Action
- Nuclear Hazard
- War and Military Action
- Other Exclusions

##### C. LIMITS OF INSURANCE

##### D. DEDUCTIBLE (IF APPLICABLE)

##### E. ADDITIONAL CONDITIONS

##### F. DEFINITIONS

#### ENDORSEMENTS (IF APPLICABLE)

#### COMMERCIAL INLAND MARINE CONDITIONS

##### LOSS CONDITIONS

- A. Abandonment
- B. Appraisal
- C. Duties in the Event of Loss
- D. Insurance Under Two or More Coverages
- E. Loss Payment
- F. Other Insurance
- G. Pair, Sets or Parts
- H. Privilege to Adjust With Owner
- I. Recoveries
- J. Reinstatement of Limit After Loss
- K. Transfer of Rights of Recovery Against Others to Us

##### GENERAL CONDITIONS

- A. Concealment, Misrepresentation or Fraud
- B. Legal Action Against Us
- C. Liberalization
- D. No Benefit to Bailee
- E. Policy Period
- F. Valuation

##### COMMON POLICY CONDITIONS

- A. Cancellation
- B. Changes
- C. Examination of Your Books and Records
- D. Inspections and Surveys
- E. Premiums
- F. Transfer of Your Rights and Duties Under this Policy

## SIGNS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F--DEFINITIONS.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

1. **COVERED PROPERTY**, as used in this Coverage Form, means:

- a. Your signs; and
- b. Similar property of others in your care, custody or control.

2. **PROPERTY NOT COVERED**

Covered Property does not include contraband, or property in the course of illegal transportation or trade.

3. **COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

4. **ADDITIONAL COVERAGE--COLLAPSE**

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

- a. Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; all only as covered in this Coverage Form;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;
- f. Use of defective materials or methods in construction, remodeling or renovating if the collapse occurs during the course of the construction, remodeling or renovating.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

### B. EXCLUSIONS

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss."

- a. **GOVERNMENTAL ACTION**

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

- b. **NUCLEAR HAZARD**

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

- c. **WAR AND MILITARY ACTION**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for a "loss" caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.
- b. Breakage during transportation, or breakage during installation, repairing or dismantling.

But we do insure against such "loss" caused directly by fire, lightning, or by accident to the vehicle carrying the property if these causes of "loss" would be covered under this Coverage Form.

- c. Dishonest acts by:

- (1) You, your employees or authorized representatives;

- (2) Anyone else with an interest in the property, or their employees or authorized representatives; or
- (3) Anyone else to whom the property is entrusted.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

But this exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire.

- d. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

- e. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - f. Unauthorized instructions to transfer property to any person or to any place.
3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the "loss."
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or

- (4) Maintenance;  
of part or all of any property wherever located.

- d. Collapse except as provided in the Additional Coverage--Collapse section of this Coverage Form.
- e. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration; mechanical breakdown; dampness, cold or heat.

#### C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

#### D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

#### E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

##### 1. COVERAGE TERRITORY

We cover property wherever located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

##### 2. COINSURANCE

All Covered Property, except property in transit, must be insured for its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the Limit of Insurance shown in the Declarations for all Covered Property at all locations bears to the total value of all property at all locations as of the time of "loss." This penalty will not apply to property in transit.

#### F. DEFINITIONS

"Loss" means accidental loss or damage.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to us.

**B. Appraisal**

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**C. Duties in the Event of Loss**

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
5. Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our consent.
6. Permit us to inspect the property and records proving "loss".

7. If requested, permit us to question you under oath, at such times as may be reasonably required, about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Promptly send us any legal papers or notices received concerning the "loss".
10. Cooperate with us in the investigation or settlement of the claim.

**D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

**E. Loss Payment**

We will pay or make good any "loss" covered under this Coverage Part within 30 days after:

1. We reach agreement with you;
2. The entry of final judgment; or
3. The filing of an appraisal award.

We will not be liable for any part of a "loss" that has been paid or made good by others.

**F. Other Insurance**

If you have other insurance covering the same "loss" as the insurance under this Coverage Part, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not.

**G. Pair, Sets or Parts**

**1. Pair or Set**

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

**2. Parts**

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.



#### **H. Privilege to Adjust with Owner**

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

#### **I. Recoveries**

Any recovery or salvage on a "loss" will accrue entirely to our benefit until the sum paid by us has been made up.

#### **J. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which event we will refund the unearned premium on that item.

#### **K. Transfer of Rights of Recovery Against Others to Us**

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them.

### **GENERAL CONDITIONS**

#### **A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;

3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

#### **B. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the "loss".

#### **C. Liberalization**

If, within 45 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

#### **D. No Benefit to Bailee**

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

#### **E. Policy Period**

We cover "loss" commencing during the policy period shown in the Declarations.

#### **F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before "loss"; or
3. The cost of replacing that property with substantially identical property.

In the event of "loss", the value of property will be determined as of the time of "loss".





# REAL ESTATE ERRORS AND OMISSIONS INSURANCE COVERAGE FORM

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## REAL ESTATE ERRORS AND OMISSIONS INSURANCE COVERAGE FORM

Various provisions in this Coverage Part restrict coverage. Read the entire Coverage Part carefully to determine rights, duties and what is and what is not covered.

Throughout this Coverage Part the words 'you' and 'your' refer to the Named Insured shown in the Declarations. The words 'we', 'us' and 'our' refer to the Company providing this insurance.

The word 'insured' means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERAGE

#### 1. Insuring Agreement

- a. We will pay those sums, in excess of the deductible amount, as stated in the Declarations, which the Insured becomes legally obligated to pay as 'damages' due to injury or 'interrelated injury' caused by a 'professional incident' or 'interrelated professional incidents'. We will have the right and duty to defend any 'suit' seeking those 'damages'. However, we will have no duty to defend the Insured against any 'suit' seeking 'damages' to which this insurance does not apply. We may, at our discretion, investigate any 'professional incident' and settle any claim or 'suit' that may result. But:

(1) The amount we will pay for 'damages' is limited as described in **SECTION III - LIMITS OF INSURANCE**; and

(2) Our right and duty to defend ends when we have used the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SECTION I - COVERAGE, Paragraph 3, Supplementary Payments**.

- b. This insurance applies to injury only if the 'professional incident' or 'interrelated professional incidents' take place:

(1) In the 'coverage territory'; and  
(2) During the 'coverage term'.

For the purposes of this insurance 'interrelated professional incidents' will be deemed to only occur in the 'coverage term' in which the first negligent act, error or omission in a related series occurred.

#### 2. Exclusions

This insurance does not apply to:

##### a. Abuse or Molestation

Any liability based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual, alleged or threatened abuse or molestation of any person.

##### b. Aircraft, Auto or Watercraft

Injury arising out of the ownership, maintenance, operation, use, entrapment, handling or loading of any motor vehicle, trailer, watercraft, or aircraft.

##### c. Asbestos

- (1) Injury arising out of, attributable to, or in any way related to asbestos in any form or transaction in any manner or  
(2) Any claim or 'suit' arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of asbestos.

##### d. Bodily Injury, Personal and Advertising Injury or Property Damage

'Bodily injury', 'personal and advertising injury' or 'property damage'.

##### e. Common Control

A claim or 'suit' made or brought by any entity or individual which:

- (1) Is wholly or partially owned, operated, managed, or controlled by any insured;  
(2) Is wholly or partially owned, operated, managed, or controlled by any insured;  
(3) Is wholly or partially under the same ownership, operation, management, or financial control as the insured.

##### f. Contractual Liability

Any obligation or liability of others assumed by an Insured under any contract or agreement, either oral or written, except to the extent the Insured would have

been liable in the absence of the contract or agreement.

**g. Deceptive Trade Practices and Anti-trust**

Any liability arising out of:

- (1) Intentional false advertising;
- (2) Unfair or deceptive trade practices;
- (3) Unfair competition;
- (4) Price fixing;
- (5) Restraint of trade; or
- (6) Violation of any antitrust law.

**h. Discrimination (Non-employment Related)**

Any liability arising out of or based upon the actual or alleged discrimination, humiliation, harassment, or misconduct by any insured, or someone for whom an insured is legally liable, because of race, creed, color, age, gender, sex, sexual preference or orientation, national origin, religion, disability, handicap, marital status or any other class protected under federal, state, local or other law, which is unrelated to your statutory employment of the alleged injured party or parties.

**i. Dishonest, Fraudulent, Criminal or Malicious Acts**

Acts, errors or omissions of any insured, or anyone for whom the insured is legally liable, that are dishonest, fraudulent, criminal or malicious.

**j. Distribution or Recording of Material or Information in Violation of Law**

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment or in addition to such act;
- (2) The CAN-SPAM Act of 2003, including any amendment, or in addition to such act;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment or in addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or

limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**k. Dual Agency**

Any liability arising out of or based upon any insured's, or someone for whom an insured is legally liable, activities as a dual agent in real estate transactions where an insured, or someone for whom an insured is legally liable, failed to fully disclose their dual agency status in writing to all parties and where all parties did not consent to the dual agency in writing.

**l. ERISA**

Any liability arising out of:

- (1) Any insured's activities as a fiduciary under the Employee Retirement Income Security Act of 1974 and any amendments thereof or any regulation or orders issued pursuant thereto; or
- (2) Acts, errors or omissions of any insured which violate:
  - (a) The Employee Retirement Income Security Act of 1974 (ERISA); or
  - (b) The Pension Benefits Act and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA),

including any amendments, regulations or enabling statutes or pursuant thereto, or any similar federal, state, or provincial statute or regulation.

**m. Employer's Liability**

'bodily injury' to:

- (1) An 'employee' of the insured sustained in the 'workplace';
- (2) An 'employee' of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that 'employee' as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share 'damages' with or repay someone else who

must pay 'damages' because of the injury.

**n. Employment-Related Practices**

Injury to:

(1) A person arising out of any:

- (a) Refusal to employ that person;
- (b) Termination of that person's employment; or
- (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of injury to that person at whom any of the employment-related practices described in Paragraphs (1)(a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share 'damages' with or repay someone else who must pay 'damages' because of the injury.

**o. Expected or Intended Injury**

Liability for injury or damage which may reasonably be expected to result from the intentional or criminal acts of an insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

**p. Failure to Insure**

Any claim arising out of the failure to effect or maintain adequate insurance.

**q. Fungus or Bacteria**

(1) Any liability caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (a) Inhalation of;

(b) Ingestion of;

(c) Contact with;

(d) Absorption of;

(e) Exposure to;

(f) Existence of; or

(g) Presence of,

any 'fungi' or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

(2) Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;

(3) Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

(a) The existence of "fungi" or bacteria;

(b) The prevention of "fungi" or bacteria;

(c) The remediation of "fungi" or bacteria; or

(d) Any operation described in Paragraph k.(2) above; or

(4) Any obligation to share 'damages' with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs q.(1), (2) or (3) above;

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any 'fungi' or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

**r. Future Valuations**

Any liability arising out of or based upon feasibility studies, future market valuations or any promise, guaranty, representation or warranty, either expressed or im-

plied, made by any insured or anyone for whom an insured is legally liable, pertaining to the future values of real property or investments.

**s. Improper Notarization**

The certification or acknowledgement of a signature by an insured acting as a notary without the proper compliance with the applicable laws and regulations of the state having jurisdiction.

**t. Insured Versus Insured**

Liability arising out of injury suffered by an insured.

**u. Lead, Radon or Electromagnetic Fields**

(1) Any claim or "suit" arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead, radon or electromagnetic field of any frequency in any form emanating from any source.

(2) Any loss, cost or expense arising out of, resulting from or in any way related to any:

(a) Claim, "suit", request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead, radon or electromagnetic field of any frequency in any form.

(b) Claim or "suit" by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating or detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead, radon or electromagnetic field of any frequency in any form.

(3) Any claim or "suit" arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of lead, radon or electromagnetic field of any frequency.

**v. Money Received**

Any liability for money received by any insured or credited to any insured for fees,

premiums, taxes, commissions, loss payments, or escrow or brokerage monies.

**w. Nuclear**

Any liability based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the hazardous properties, including radioactive, toxic or explosive properties, of any nuclear material. Nuclear material means any source material, special nuclear material, or byproduct materials, as those terms are defined under the Atomic Energy Act of 1954 or any amendments therein.

**x. Other Operations**

Any liability arising out of or based upon the interests, operations or activities of any insured, or someone for whom an insured is legally liable, that is not specifically provided for in the definition of "professional real estate services".

**y. Owned or Developed Property**

Any liability arising out of or based upon the rendering of "professional real estate services" for property developed, constructed, owned or to be purchased by any insured or by any entity in which any insured has a financial interest, or by any entity coming under the same financial control as any insured. This exclusion shall not apply to claims or "suits" arising out of:

(1) The sale of real property that was acquired by you under a written "qualified sale" (listing contract) and title was held by you for less than one year from the acquisition to resale; and the property was continually offered for sale by you from acquisition to resale;

(2) The rendering of "professional real estate services" for real property where the combined ownership of all insureds is less than ten (10) percent; or

(3) The sale of a residential property owned by any insured for more than 180 days provided a state or local board approved standard sales contract was utilized in conjunction with the sale and prior to the closing the buyers received all of the following:

(a) A written Home Inspection Report issued by an ASHI, NAHI or CREIA member inspector;

(b) A home warranty policy; and

(c) A seller disclosure form signed by the insured.

**z. Pollutant**

(1) Any liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants", including any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants"; or

(2) Any claim or "suit" arising out of, resulting from, or in any way caused by the failure to discover or disclose the existence or amount of "pollutants".

**aa. Property Investment Activities**

Any liability arising out of or based upon the formation, operation, syndication, operation or administration of any property syndication, real estate investment trust or any corporation, general or limited partnership or joint venture formed for the purpose of investing in, buying, selling or maintaining real property including those syndication, trusts, real estate investment trusts, corporations, partnerships or joint ventures in which any insured has, had or intended to have a participating interest directly or indirectly in the profits or losses thereof.

**bb. RICO**

Any violation of the Racketeer Influenced and Corrupt Organizations Act (RICO), including any amendments, regulations or enabling statutes pursuant thereto, or any similar federal, state, or provincial statute or regulation.

**cc. Securities Actions**

Any liability arising out of:

(1) Any security or any activities or transactions subject or claimed to be subject in whole or in part to the Se-

curities Act of 1933, The Securities Exchange Act of 1934, The Public Utility Holding Company Act of 1935, The Trust Indenture Act of 1939, The Investment Company Act of 1940 or The Investment Advisors Act of 1940; or

(2) Any purchase, sale or offering of any security to or from the public which is subject or claimed to be subject to any State Blue Sky or Securities Law;

or any rules or regulations issued pursuant to any of the aforementioned, all as heretofore or hereafter amended or replaced, without regard to the legal theory upon which any claim arising in connection therewith against any insured might be based or made.

**dd. War**

Injury, however caused, arising directly or indirectly out of:

(1) War, including undeclared or civil war;

(2) War like action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**ee. Workers' Compensation and Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**3. Supplementary Payments**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. A reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

c. The cost of bonds to release attachments but only for bond amounts within the applicable limit of insurance. We do not have to furnish bonds.



- d. All court costs taxed against the insured in the 'suit'. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- e. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest that is based on the period of time after the offer.
- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

## SECTION II - WHO IS AN INSURED

1. You are designated in the Declarations as:
  - a. An individual, you are an insured, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members and partners are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your 'executive officers' and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
  - a. Non-'employee' duly licensed real estate agents operating under your broker's license, but only during their period of affiliation with you, and only in relation to real estate transactions handled through you.
  - b. Your 'employees' are insureds, but only while acting within the scope of their duties as such.

- c. The heirs, executors, administrators, or legal representatives of each insured in the event of their death, incapacity, or bankruptcy, but only with respect to the liability of each insured as covered here in.
- d. The legally recognized spouse of any insured, but only:
  - (1) With respect to 'professional incidents' actually or allegedly committed by that insured; and
  - (2) By reason of such spouse's status as spouse of that insured.

Notwithstanding this provision, no spouse shall have any greater insurance coverage under this Coverage Part than the insured to whom such spouse is married. This provision does not extend insurance coverage for 'professional incidents' actually or allegedly committed by the spouse of any insured.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization, however:
  - a. Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - b. Insurance coverage does not apply to 'professional incidents' that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

## SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. insureds;
  - b. Claims made or 'suits' brought; or
  - c. Persons or organizations making claims or bringing 'suits'.
2. The Aggregate Limit is the most we will pay for the sum of all 'damages' for all claims or 'suits' to which this insurance applies.
3. The Each Professional Incident Limit is the most we will pay for the sum of all 'damages' arising out of 'interrelated injury'.

4. Our obligation to pay 'damages' resulting from claims or 'suits' arising out of a 'professional incident' or 'interrelated professional incidents' applies only to the amount of 'damages' in excess of the deductible amount, if any, stated in the Declarations.

However, the deductible does not apply to **SECTION I - COVERAGE, Paragraph 3. Supplementary Payments**

5. If we have paid any amounts in settlement or satisfaction of claims or judgments in excess of the limit of insurance, or within the amount of the deductible, the insureds, jointly and severally, shall be liable to us for any and all such amounts, including reasonable fees and expenses incurred by us in collecting those amounts.

The Limits of Insurance of this Coverage Part apply separately to each 'coverage term'.

#### **SECTION IV - CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties in the Event of Professional Incident, Claim or Suit**

- a. You must see to it that we are notified promptly if you become aware of a 'professional incident' which would reasonably be expected to be the basis of a claim or 'suit' covered by this insurance. Notice shall include the fullest information obtainable.
- b. If a claim is made or 'suit' is brought against any insured, you must see to it that we receive prompt written notice of the claim or 'suit'.
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the claim or 'suit'.
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation, settlement, or defense of the claim or 'suit'; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insureds will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a 'suit' asking for 'damages' from an insured; or
- b. To sue us under this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on that judgment against an insured obtained after an actual trial; but we will not be liable for 'damages' that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

##### **4. Liberalization**

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the later of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will have no additional premium charge for this additional coverage during the term.

##### **5. Multi-Year Policies**

If this Coverage Part is issued for more than one year, the premium shall be computed annually based on our rates or premiums in effect at each anniversary.

##### **6. Other Insurance**

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

**7. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part is advance premium, a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and remittance of premiums is the date shown as the due date on the bill.

- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.

- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**8. Representations**

By accepting this policy, you agree:

- a. The statements in the Errors and Omissions Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**9. Separation of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each Insured against whom a claim is made or suit is brought.

**10. Transfer of Rights of Recovery Against Others to Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after a "professional incident" to maintain them. At our request, the insured will bring legal action or transfer these rights to us and help us enforce them.

**11. Two or More Coverage Forms or Policies Issued by Us**

If this Coverage Part or any other Coverage Form, Coverage Part or policy issued to you by us or any company affiliated with us apply to the same act, error or omission, the aggregate maximum Limit of Insurance under all the Coverage Forms, Coverage Parts or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form, Coverage Part or policy. This condition does not apply to any Coverage Form, Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

**12. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast, telecast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication and
- b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

2. "Bodily injury" means injury to the body, sickness or disease sustained by any person, including death resulting from any of these at any time; including any mental injury, mental anguish, mental tension, emotional distress, pain or suffering or shock sustained by any person, whether or not resulting from injury to the body, sickness, disease or death of any person.

3. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive year

- nual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute to provide "coverage term". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the year end of:
- (1) The day the policy period shown in the Declarations ends; or
  - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
4. "Coverage territory" means anywhere in the world, provided the original claim or "suit" for such "damages" is brought within the United States of America, its territories or possessions, Puerto Rico or Canada.
  5. "Damages" means the compensatory monetary portion of any judgment, award or settlement, provided such settlement is negotiated with our assistance and approval. "Damages" shall not include:
    - a. Compensation for "property damage";
    - b. Personal profit or advantage to which the insured was not legally entitled;
    - c. Criminal or civil fines, taxes, penalties (statutory or otherwise), fees or sanctions;
    - d. Punitive, exemplary or multiple damages;
    - e. Matters deemed uninsurable by law;
    - f. Amounts held in escrow or otherwise on behalf of clients or third parties; or
    - g. Any form of equitable or non-monetary relief.
  6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
  7. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by laws or any other similar governing document.
  8. "Fungus" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.
  9. "Guaranteed sale listing contract" means a written agreement, between you and the seller of the property, whereby you agree to purchase the property if it is not sold within the time frame specified in the listing agreement.
  10. "Intermediate injury" means all causally connected injury or injuries arising from a "professional incident" or "interrelated professional incidents".
  11. "Interrelated professional incidents" means "professional incidents" which arise out of and have as a common basis:
    - a. Related circumstances, situations, events, transactions or facts;
    - b. A series of related circumstances, situations, events, transactions or facts; or
    - c. A common pattern of conduct in selling, providing or servicing products or services to which this insurance applies.
  12. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
  13. "Personal and advertising injury" means injury, including "bodily injury", arising out of one or more of the following offenses:
    - a. False arrest, detention or imprisonment;
    - b. Malicious prosecution;
    - c. Abuse of process;
    - d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
    - e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
    - f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
    - g. The use of another's advertising idea in your "advertisement";
    - h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
    - i. Discrimination.
  14. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis,

chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. 'Pollutants' include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the 'pollutants' and whether:

- a. The insured is regularly or otherwise engaged in activities which tend to degrade the environment; or
  - b. The insured uses, generates or produces the 'pollutant'.
15. 'Professional incident' means a negligent act, error or omission of an insured, or someone for whom an insured is legally liable, in rendering or failing to render 'professional real estate services'.
16. 'Professional real estate services' means services performed by you or on your behalf for others as:
- a. Real estate broker, real estate agent, real estate sales person, real estate personal assistant, real estate independent contractor, and/or owner of real property;
  - b. Real estate consultant or counselor;
  - c. Real estate appraiser;
  - d. Real estate leasing agent or property manager;
  - e. Mortgage broker or business broker; or

- f. Notary public or member of a formal real estate accreditation, real estate standards review or similar real estate board or real estate committee.

17. 'Property damage' means:

- a. Injury or damage, of any nature, to tangible or intangible property, including all resulting loss of use of that property; or
- b. Loss of or loss of use of tangible or intangible property that is not otherwise injured or damaged.

18. 'Suit' means a civil proceeding in which 'damages' because of injury to which this insurance applies are alleged. 'Suit' includes:

- a. An arbitration proceeding in which such 'damages' are claimed and to which the insured must submit or does submit with our consent;
- b. Any other alternative dispute resolution proceeding in which such 'damages' are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.

19. 'Temporary worker' means a person who is furnished to you to substitute for a permanent 'employee' on leave or to meet seasonal or short-term workload conditions.

20. 'Workplace' means that place and during such hours to which the 'employee' sustaining injury was assigned by you or any other person or entity acting on your behalf, to work on the date of injury.

# THE CINCINNATI INSURANCE COMPANY

CINCINNATI, OHIO

## BUSINESS AUTO COVERAGE PART DECLARATIONS

### ITEM ONE

Attached to and forming part of POLICY NUMBER: **EBA 053 36 25**

Named Insured is the same as it appears in the Common Policy Declarations.

### ITEM TWO

### SCHEDULE OF COVERAGES AND COVERED AUTOS

This coverage part provides only those coverages where a premium or "incl" is shown in the premium column below. The limit of Insurance for each coverage listed is subject to all applicable policy provisions. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTOS (Entry of one or more of the symbols from the COVERED AUTOS Section of the Business Auto Coverage Form shows which autos are covered autos)	LIMIT  THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	PREMIUM
LIABILITY	7, 8, 9	\$ 1,000,000	INCL
PERSONAL INJURY PROTECTION (or equivalent No-fault coverage)		Separately stated in each P.I.P. endorsement minus \$ Ded.	
ADDED PERSONAL INJURY PROTECTION (or equivalent added No-fault coverage)		Separately stated in each added P.I.P. endorsement	
PROPERTY PROTECTION INSURANCE (Michigan only)		Separately stated in each P. P.I. endorsement minus \$ Ded for each accident	
AUTO. MEDICAL PAYMENTS	7	\$ 1,000	INCL
UNINSURED MOTORISTS	7, 8, 9	\$ 1,000,000	INCL
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	7, 8, 9	\$ SEE AA4183	INCL
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7, 8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded. For each covered auto. But no Deductible applies to loss caused by Fire or lightning. See Item Three for hired or borrowed "autos"	INCL
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		Actual cash value or cost of repair, Whichever is less minus \$ Ded. For Each covered auto. For loss caused by mischief or vandalism. See Item Three for hired or borrowed "autos"	
PHYSICAL DAMAGE COLLISION COVERAGE	7, 8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded for each covered auto. See Item Three for hired or borrowed "autos".	INCL
PHYSICAL DAMAGE INSURANCE TOWING AND LABOR		\$ for each disablement of a private passenger auto	
PREMIUM FOR ENDORSEMENTS			INCL
*ESTIMATED TOTAL PREMIUM			

FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

AA4183 02/06 AUTOMOBILE SCHEDULE  
AA101 03/06 BUSINESS AUTO COVERAGE FORM  
AA2009 01/17 CHANGES - TOWING AND LABOR  
AA296 07/12 CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

AA327IN	02/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION
AA4078IN	12/15	INDIANA UNDERINSURED MOTORIST COVERAGE
AA4170IN	12/15	INDIANA - UNINSURED AND UNDERINSURED MOTORIST PROTECTION SELECTION/REJECTION FORM
AA4171	11/05	ADDITIONAL INSURED BY CONTRACT
AA4172	09/09	BLANKET WAIVER OF SUBROGATION - AUTO
AA4174	11/05	PRIMARY AND NONCONTRIBUTORY INSURANCE
AA4231	08/08	SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO--ITEMS FOUR, FIVE, AND SIX
AA4263	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
AA484IN	12/15	INDIANA UNINSURED MOTORIST COVERAGE
CA0119	07/09	INDIANA CHANGES
CA2054	10/01	EMPLOYEE HIRED AUTOS
CA9944	12/93	LOSS PAYABLE CLAUSE
AA261	07/14	AUTO MEDICAL PAYMENTS COVERAGE

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\* This policy may be subject to final audit

# QUICK REFERENCE

## COMMERCIAL AUTO COVERAGE PART

## BUSINESS AUTO COVERAGE FORM

### READ YOUR POLICY CAREFULLY

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 Description of Business  
 Coverages and Limits of Insurance

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**AUTOMOBILE SCHEDULE****ITEM THREE**Attached to and forming a part of Policy Number EBA 053 36 25, effective 05-01-2020

The insurance afforded for any automobile is only with respects to such and so many of the coverages as are indicated by specific premium charge or charges indicated.

POLICY LIMITSState: IN

Bodily Injury: 1,000,000 CSL

Property Damage: INCLUDED

UM/UIM: 1,000,000

UMPD INCLUDED

UMPD DED: NONE

Med Pay 1,000

(\*UMPD APPLIES)

Veh. No. Vehicle Information						
1	2020 FORD EXPEDITION S/N 1FMJK1PT7LEA17806				Class: 7391	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 78,715	ZIP CODE: 47807
	BI	PD	MP	OTC	COLL	UM*
	419	INCL	9	187	478	105
						TOTAL
						1,198
2	2010 FORD F150 S/N 1FTMF1CW4AKE69362				Class: 7391	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 24,825	ZIP CODE: 47807
	BI	PD	MP	OTC	COLL	UM*
	421	INCL	9	51	112	105
						TOTAL
						698
3	2018 FORD F150 S/N 1FTMF1CBXJKF52274				Class: 01189	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 32,970	ZIP CODE: 47807
	BI	PD	MP	OTC	COLL	UM*
	495	INCL	16	142	278	61
						TOTAL
						992
4	2018 FORD F150 S/N 1FTMF1CB7JKE43836				Class: 01189	Territory 108
	OTC-COMP DED: 500				Coll Ded: 1,000	
					COST NEW: 32,970	ZIP CODE: 47807
	BI	PD	MP	OTC	COLL	UM*
	495	INCL	16	142	278	61
						TOTAL
						992
ADDITIONAL INTEREST - ADDITIONAL INSURED BY CONTRACT					Class:	Territory
OTC-COMP DED: N/A					Coll Ded: N/A	
	BI	PD	MP	OTC	COLL	UM
	207	INCL				
						TOTAL
						207

# AUTOMOBILE SCHEDULE

## ITEM THREE (CONTINUED)

<b>BLANKET WAIVER OF SUBROGATION</b>						Class:	Territory
OTC-COMP DED: N/A						Coll Ded: N/A	
BI	PD	MP	OTC	COLL	UM	<b>TOTAL</b>	
150	INCL					150	
<b>HIRED AND NON-OWNED</b>						Class:	Territory
OTC-COMP DED: N/A						Coll Ded: N/A	
BI	PD	MP	OTC	COLL	UM*	<b>TOTAL</b>	
292	INCL	N/A			50	342	
<b>HIRED AUTO PHYSICAL DAMAGE</b>						Class:	Territory
LIMIT: 90,000						Coll Ded: 1,000	
OTC-COMP DED: 500							
BI	PD	MP	OTC	COLL	UM	<b>TOTAL</b>	
			267	399		666	
<b>NONCONTRIBUTORY INSURANCE</b>						Class:	Territory
OTC-COMP DED: N/A						Coll Ded: N/A	
BI	PD	MP	OTC	COLL	UM	<b>TOTAL</b>	
100	INCL					100	

### SYMBOLS:

BI	-- Bodily Injury	SPEC	-- Specified Perils
PD	-- Property Damage	COLL	-- Collision
MP	-- Medical Payments	UM	-- Uninsured Motorists
OTC	-- Other Than Collision (ACV Coverage applies unless Stated Amount Value is indicated)	UIM	-- Underinsured Motorists
CAC	-- Combined Additional Coverage	PIP	-- Personal Injury Protection
FT&S	-- Fire, Theft, and Supplemental	T&L	-- Towing and Labor Costs
UMPD	-- Uninsured Motorists PD	RR	-- Rental Reimbursement

## BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description of Covered Auto Designation Symbols

SYMBOL	DESCRIPTION
1 =	ANY "AUTO".
2 =	OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3 =	OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4 =	OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5 =	OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6 =	OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where

they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

7 = SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to a power unit described in ITEM THREE).

8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

#### B. Owned Autos You Acquire After the Policy Begins

1. If Symbols 1, 2, 3, 4, 5, or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.

2. But, if Symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:

a. We already cover all "autos" that you own for that coverage or it replaces

an "auto" you previously owned that had that coverage; and

- b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

### C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.

2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

## SECTION II - LIABILITY COVERAGE

### A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

#### 1. Who is an Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a cov-

ered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
  - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
  - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
  - (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

#### 2. Coverage Extensions

##### a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) re-

quired because of an "accident" we cover. We do not have to furnish these bonds.

- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

#### **b. Out-of-State Coverage Extensions**

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

#### **B. Exclusions**

This insurance does not apply to any of the following:

#### **1. Expected or Intended Injury**

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the "insured" or which is in fact expected or intended by the "insured", even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

#### **2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

#### **3. Workers' Compensation**

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

#### **4. Employee Indemnification and Employer's Liability**

"Bodily injury" to:

- a. An "employee" of the "insured" sustained in the "workplace";
- b. An "employee" of the "insured" arising out of the performance of duties related to the conduct of the "insured's" business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. or b. above.

This Exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract" other than a contract or agreement with a labor leasing firm. For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### **5. Fellow Employee**

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

#### **6. Care, Custody or Control**

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### **7. Handling of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### **8. Movement of Property by Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### **9. Operations**

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor ve-

hicle insurance law where it is licensed or principally garaged.

#### **10. Completed Operations**

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

#### **11. Pollutant**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or



- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** of this exclusion does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

However, this exception to Paragraph **a.** does not apply if the fuels, lubricants, fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed or released.

Paragraphs **b.** and **c.** of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (1) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
- (2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

Subparagraph **d.(1)** does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor.

## 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

## 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This

insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

### C. Limit of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

### D. Mobile Equipment Subject to Motor Vehicle Insurance Laws

As respects **SECTION II - LIABILITY COVERAGE** any land vehicle, which would qualify as "mobile equipment", except that it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, is considered a covered "auto" under **SECTION II - LIABILITY COVERAGE**, irrespective of the Auto Designation Symbols shown for **SECTION II - LIABILITY COVERAGE** in the Declarations.

## SECTION III - PHYSICAL DAMAGE COVERAGE

### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

#### a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### b. Specified Causes of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

#### c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

### 2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs

incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

### 3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

### 4. Coverage Extensions

#### a. Transportation Expenses

We will also pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered



"auto" is returned to use or we pay for its "loss".

in hindering or defending against any of these.

**b. Loss of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

**B. Exclusions**

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

**b. War or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown; or
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
- (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

#### C. Limit of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
  3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

### SECTION IV - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

#### A. Loss Conditions

##### 1. Appraisal for Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

##### 2. Duties in the Event of Accident, Claim, Suit or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;
  - (2) The "insured's" name and address; and
  - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
    - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
    - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
    - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
    - (4) Authorize us to obtain medical records or other pertinent information.
    - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

### 3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

### 4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

### 5. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Cov-

erage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

## B. General Conditions

### 1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

### 2. Concealment, Misrepresentation or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

### 3. Liberalization

If within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

### 4. No Benefit to Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

## 5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

## 6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

## 7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the Policy Period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:

- (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
- (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

## 8. Two or More Coverage Forms or Policies Issued by Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

**SECTION V - DEFINITIONS**

**A.** "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

**B.** "Auto" means:

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

**C.** "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

**D.** "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

**a.** That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

**b.** Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place

where they are accepted by the "insured" for movement into or onto the covered "auto"; or

**c.** After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants" is caused directly by such upset, overturn or damage.

**E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

**F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

**G.** "Insured" means any person or organization qualifying as an insured in the Who is an Insured provision of the applicable coverage.



Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

**H. "Insured contract":**

**1. Means:**

- a.** A lease of premises;
- b.** A sidetrack agreement;
- c.** An easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
- f.** That part of any other contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

**2. Does not include that part of any contract or agreement:**

- a.** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- b.** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

- c.** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".

- J.** "Loss" means direct and accidental loss or damage.

- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- 1.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2.** Vehicles maintained for use solely on or next to premises you own or rent;
- 3.** Vehicles that travel on crawler treads;
- 4.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a.** Power cranes, shovels, loaders, diggers or drills; or
  - b.** Road construction or resurfacing equipment such as graders, scrapers or rollers.
- 5.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - b.** Cherry pickers and similar devices used to raise or lower workers.
- 6.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a.** Equipment designed primarily for:

- (1) Snow removal;
  - (2) Road maintenance, but not construction or resurfacing; or
  - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".
- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and their by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
    - 1. The "insured" is regularly or otherwise engaged in activities which taint or degrade the environment; or
  - 2. The "insured" uses, generates or produces the "pollutant".
  - M. "Property damage" means damage to or loss of use of tangible property.
  - N. "Suit" means a civil proceeding in which:
    - 1. Damages because of "bodily injury" or "property damage"; or
    - 2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

    - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
    - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
  - O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
  - P. "Trailer" includes semitrailer.
  - Q. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of the "accident".

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

- 1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

ous properties" of "nuclear facility" by any person or organization.

**C.** Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2.** As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "byproduct material";

"Source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been

used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material **(a)** containing "byproduct material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations:

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CHANGES - TOWING AND LABOR**

This endorsement modifies insurance provided by the following:

### **BUSINESS AUTO COVERAGE FORM**

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

1. **SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 2. Towing** is deleted in its entirety and replaced with:

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" is disabled. However, the labor must be performed at the place of disablement.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

This endorsement modifies insurance provided by the following:

### **BUSINESS AUTO COVERAGE FORM**

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

**1. SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 4.** is deleted in its entirety and replaced with:

**4.** We will not pay for "loss" to any of the following:

- a.** Tapes, records, discs or similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b.** Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c.** Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d.** Any accessories used with the electronic equipment described in Paragraph **c.** above.

Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a.** Permanently installed in or upon the covered "auto";
- b.** Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c.** An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or
- d.** Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

**2. SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limits of Insurance, 1.** is deleted in its entirety and replaced with:

**1.** The most we will pay for:

- a.** "Loss" to any covered "auto" is the lesser of;
  - (1)** The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - (2)** The cost of repairing or replacing the damaged or stolen property with other property of like kind or quality.
- b.** All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss", is up to \$1,000, if, at the time of "loss", such electronic equipment is:
  - (1)** Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
  - (2)** Removable from a permanently installed housing unit as described in Paragraph **b.1.** above; or
  - (3)** An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.

**3. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE ADDED LIMITS**

The sub-limit in Paragraph **1.b.** above is in addition to the Limit of Insurance shown in the Schedule of the Audio, Visual and Data Equipment Coverage endorsement, if purchased.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE PART  
GARAGE COVERAGE PART**

### **SCHEDULE**

#### **Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management; I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

The following is added to **SECTION II - LIABILITY COVERAGE, B. Exclusions:**

This insurance does not apply to liability arising out of one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## INDIANA UNDERINSURED MOTORIST COVERAGE

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as the Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named Insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below:

Endorsement Effective: <b>05-01-2020</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	

### SCHEDULE

"Bodily Injury"	\$ <b>SEE AA4183</b>	Each "Accident"
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(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

#### **A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "underinsured motor vehicle". The damage must result from "bodily injury" sustained by the "insured" and caused by an "accident" with an "underinsured motor vehicle".

The owner's or operator's liability for this damage must result from the ownership, maintenance or use of the "underinsured motor vehicle".

2. We will pay under this endorsement only if
  - a. or b. below applies:
  - a. The limits of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or
  - b. Tentative settlement has been made between an "insured" and the insurer of an "underinsured motor vehicle" which would exhaust the limits of liability under any applicable bond or policy, and we:

- (1) Have been given prompt written notice of such tentative settlement; and

- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after the receipt of notification.

3. Any judgment for damages arising out of a "suit" brought without our written consent to both the "suit" and the judgment is not binding on us.

#### **B. Who is an Insured**

The following are "insureds":

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds":
  - a. Natural persons specially listed as a Named Insured on this endorsement.
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement.

- c. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - d. Any natural person, but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraphs **B.1.a.**, **b.** or **c.**
  - e. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
2. If an entity other than a natural person is listed as a Named Insured on this endorsement, the following persons are "insureds":
    - a. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
    - b. Any natural person is an "insured", but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph **B.2.a.**
    - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
  3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown in the endorsement.
  4. Anyone for injuries incurred while "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its break down, repair, servicing, "loss" or destruction.
  5. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

### C. Exclusions

This insurance does not apply to:

1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits, or similar laws.
3. The direct or indirect benefit of any insurer of property.
4. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly acquired or replacement "motor vehicle" covered under the terms of the Coverage Form.
5. "Bodily injury" suffered by any person while operating or "occupying" a "motor vehicle" without a reasonable belief that he or she is entitled to do so. Under no circumstances will a person whose license has been suspended, revoked or never issued be held to have a reasonable belief that he or she is entitled to operate a "motor vehicle".
6. Punitive or exemplary damages.
7. "Noneconomic loss" sustained by any "insured" if such "insured" is an uninsured motorist with a previous violation as defined in Indiana Code Section 27-7-5.1.

However, Exclusion **C.7.** does not apply to an "insured" under 18 years of age.

### D. Limit of Insurance

1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services, or death due to and arising out of any one "accident" is the limit of **Underinsured Motorist Coverage** shown in the Schedule or the Declarations.
2. The limit of insurance provided in this endorsement shall be reduced by all sums available for payment to the "insured" for "bodily injury" under all liability bonds or policies covering persons or organizations legally liable for the "accident".



3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement and any Liability Coverage Form or Medical Payments Coverage endorsement attached to this Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits, or similar laws, including medical payments made under any statute.

4. No "insured" shall recover duplicate payments for the same elements of "loss" or payments in excess of damages sustained.

#### E. Changes in Conditions

The **Conditions** for **Indiana Underinsured Motorist Coverage** are changed as follows:

1. **Other Insurance Condition** in the Business Auto and Garage Coverage Forms is changed as follows:

If there is other applicable insurance available under one or more policies or provisions of coverage, the following priorities of coverage apply:

<b>FIRST PRIORITY</b>	The Underinsured Motorist Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
<b>SECOND PRIORITY</b>	Any other Coverage Form or policy affording Underinsured Motorist Coverage to the "insured".

- a. The limit of insurance under the "motor vehicle" the "insured" was "occupying" under the Coverage Form or policy in the first priority shall first be exhausted.
- b. The maximum recovery for damages under all Coverage Forms or policies may equal but shall not exceed the highest applicable limit of any one "motor vehicle" under any insurance providing coverage on either a first or second priority basis.
- c. We will pay only our share of the "loss". Our share is the proportion that our limit of liability bears to the total of all limits applicable to the same level of priority.

2. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- a. You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought;
- b. You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of the claim or "suit". Cooperation includes, but is not limited to, identifying all parties who may be responsible for the accident and all insurers who may be obligated to provide coverage; and
- c. A person seeking Underinsured Motorist Coverage must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer of the "underinsured motor vehicle", and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the person(s) or organization(s) who may be legally responsible for the "accident", or the insurer, owner or operator of such "underinsured motor vehicle".

3. **Transfer of Rights of Recovery Against Others To Us** is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. Our rights do not apply under this provision if we:
  - (1) Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of the "underinsured motor vehicle"; and
  - (2) Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of such notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after notification:

  - (a) That payment will be separate from any amount the "insured" is entitled to recover under the provisions of this coverage; and

(b) We also have the right to recover the advance payment from the insured or the owner or operator of the "underinsured motor vehicle".

c. If we make a payment because the insurer of the "underinsured motor vehicle" is or becomes insolvent, the **Transfer of Rights of Recovery Against Others To Us** Condition does not apply to any rights of recovery against:

- (1) The Indiana Guaranty Fund; or
- (2) The insured of the insolvent insurer, except in amounts that exceed the limit of liability of the Coverage Form or policy that was issued by that insolvent insurer.

#### 4. Legal Action Against Us

No lawsuit or action whatsoever or any proceeding in arbitration shall be brought against us for the recovery of any claim under the provisions of the Underinsured Motorist Coverage of this coverage form unless the "insured" has satisfied all of the things that "insured" is required to do under this endorsement. Any claim or suit for Underinsured Motorist Coverage must be brought within two (2) years from the date of the accident.

5. The following Condition is added:

#### ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or operator of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured" then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration proce-

dures and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

(1) Whether the "insured" is legally entitled to recover damages from a party responsible for the "accident"; and

(2) The amount of damages.

This applies only if the amount does not exceed the minimum limit for liability specified by the financial responsibility law of Indiana. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made in 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

#### F. Additional Definitions

As used on this endorsement:

1. "Family member" means a natural person who is related to and is a resident of the same household as a natural person shown as a Named Insured in this endorsement. Such relation may be by blood, marriage or adoption, and may include a ward or foster child.
2. "Motor vehicle" means a self-propelled vehicle designed for use and principally used on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. "Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails or any similar vehicle.
3. "Noneconomic loss" means costs for physical and emotional pain and suffering, physical impairment, emotional distress, mental anguish, loss of enjoyment, loss of companionship, services and consortium, and any other noneconomic damages.
4. "Occupying" means in, upon, getting in, on, out or off.
5. "Underinsured motor vehicle" means a land "motor vehicle" or "trailer" for which the sum of all liability bonds or policies at

the time of an "accident" provides at least the amounts required by the financial responsibility law of Indiana but their limits are either:

- a.** Less than the Limit of Insurance available for payment to the "insured" under this endorsement; or
- b.** Reduced by payments to others injured in the "accident" to an amount which is less than the Limit of Insurance under this endorsement.

However, "underinsured motor vehicle" does not include any "motor vehicle":

- a.** Owned or operated by a self insurer under any applicable motor vehicle

law, except a self insurer who is or becomes insolvent and can not provide the amounts required by that motor vehicle law.

- b.** Owned by a governmental unit or agency.
- c.** Designed for use mainly off public roads while not on public roads.
- d.** Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".
- e.** For which liability coverage is afforded under this Coverage Form.



## INDIANA - UNINSURED AND UNDERINSURED MOTORIST PROTECTION SELECTION/REJECTION FORM

Indiana law permits you to make certain decisions regarding Uninsured Motorist Coverage and Underinsured Motorist Coverage. This document briefly describes these coverages and the options available. You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorist Coverage or Underinsured Motorist Coverage and your options with respect to these coverages. This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

In accordance with the Indiana law, automobile liability policies may make available Uninsured and Underinsured Motorist Coverage limits equal to the Bodily Injury Liability limits of the policy to which the coverage attaches and to Property Damage Liability equal to the financial responsibility limits for the state of Indiana. Uninsured Motorist Property Damage coverage is available only if you purchase Uninsured Motorist Bodily Injury coverage. You may, however, reject Bodily Injury Liability. A named insured has the right to reject Uninsured Motorist and Underinsured Motorist Coverage on behalf of all other named insureds, all other insureds, and all other persons entitled to coverage under the policy. A rejection of coverage applies to all subsequent policy renewals or replacements. If a named insured rejects Uninsured Motorist Coverage or Underinsured Motorist Coverage in the underlying policy, the rejection also applies to an umbrella or excess liability policy.

If you elect to purchase Uninsured Motorist Bodily Injury coverage, you also may choose to purchase Uninsured Motorist Property Damage coverage. You may also reject Uninsured Motorists Property Damage entirely. This is our offer to you of your Uninsured Motorist and Underinsured Motorist Coverage options.

Please indicate your choice by selecting one option in both Bodily Injury and Property Damage below.

### BODILY INJURY OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Coverage and Underinsured Motorist Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits with Underinsured Motorists Coverage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Coverage for Bodily Injury at limits equal to my Bodily Injury Liability limits without Underinsured Motorist Coverage.

### PROPERTY DAMAGE OPTIONS

(Please select only one.)

- \_\_\_\_\_ I hereby reject Uninsured Motorist Property Damage.
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to my Property Damage Liability not subject to a deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit subject to a \$300 deductible.\*\*
- \_\_\_\_\_ I hereby accept Uninsured Motorist Property Damage at limits equal to the financial responsibility limit not subject to a deductible.\*\*

\*\* This option is available only when Uninsured Motorist Bodily Injury Coverage is accepted.

I, the insured, understand that I and those who are to be protected under my policy would best be protected by my choosing to purchase Uninsured and Underinsured Motorist Coverage at limits equal to the Bodily Injury Liability limits provided in my policy. Nevertheless, I choose instead to purchase a more limited form of coverage, as specified above.

Attached to and forming a part of Policy Number EBA 053 36 25 and any subsequent policy renewals or replacements thereof.

Effective Date: 05-01-2020

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Named Insured

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Signature of Authorized Representative

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Title

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Printed Name of Authorized Representative

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Title

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Agent's Signature

**ONI RISK PARTNERS, INC. 13-317  
TERRE HAUTE, IN**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED BY CONTRACT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 05-01-2020	Policy Number: EBA 053 36 25
Named Insured: THOMPSON THRIFT DEVELOPMENT INC	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**SECTION II - LIABILITY COVERAGE, A. Coverage, I. Who is an Insured** is amended to include as an insured any person or organization with which you have agreed in a valid written contract to provide insurance as is afforded by this policy.

This provision is limited to the scope of the valid written contract.

This provision does not apply unless the valid written contract has been executed prior to the "bodily injury" or "property damage".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BLANKET WAIVER OF SUBROGATION - AUTO**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: <b>05-01-2020</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### **1. Blanket Waiver of Subrogation**

**SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights of Recovery Against Others to Us** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of

payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the "insured contract".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PRIMARY AND NONCONTRIBUTORY INSURANCE**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 05-01-2020	Policy Number: EBA 053 36 25
Named Insured:  THOMPSON THRIFT DEVELOPMENT INC	
Countersigned by:	

(Authorized Representative)

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### **1. Noncontributory Insurance**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance** is replaced by the following:

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary and we will not seek contribution from any other insurance for any liability assumed under an "insured contract" that requires liability to be assumed on a primary noncontributory basis.

**SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO - ITEMS FOUR, FIVE, AND SIX**Attached to and forming a part of:  
Form AA 505 (Business Auto Coverage Part)**EBA 053 36 25**  
**NUMBER****ITEM FOUR SCHEDULE OF HIRED OR****BORROWED COVERED AUTO COVERAGE AND PREMIUMS.****LIABILITY COVERAGE--RATING BASIS, COST OF HIRE**

STATE	ESTIMATED COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	PREMIUM
			<b>TOTAL PREMIUM</b>

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

**PHYSICAL DAMAGE COVERAGE**

COVERAGES	LIMIT OF INSURANCE THE MOST WE WILL PAY DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE	RATE PER EACH \$100 ANNUAL COST OF HIRE	MINIMUM PREMIUM	PREMIUM
COMPREHENSIVE	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 90,000 WHICHEVER IS LESS MINUS \$ 500 DED. FOR EACH COVERED AUTO, FOR ALL LOSS EXCEPT FIRE OR LIGHTNING				INCL
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ WHICHEVER IS LESS MINUS \$25 DED. FOR EACH COVERED AUTO, FOR LOSS CAUSED BY MISCHIEF OR VANDALISM				
COLLISION	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 90,000 WHICHEVER IS LESS MINUS \$ 1,000 DED. FOR EACH COVERED AUTO				INCL
			<b>TOTAL PREMIUM</b>		<b>INCL</b>

**ITEM FIVE SCHEDULE FOR NONOWNERSHIP LIABILITY**

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees		
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
			<b>TOTAL PREMIUM</b>

**ITEM SIX SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS--LIABILITY COVERAGE--PUBLIC AUTO OR LEASING RENTAL CONCERNS**

Estimated Yearly	RATES		PREMIUMS	
	<input type="checkbox"/> Per \$100 of Gross Receipts	<input type="checkbox"/> Per Mile		
<input type="checkbox"/> Gross Receipts				
<input type="checkbox"/> Mileage	LIABILITY	AUTO MEDICAL COVERAGE	LIABILITY PAYMENTS	AUTO MEDICAL COVERAGE PAYMENTS
	TOTAL PREMIUMS			
	MINIMUM PREMIUMS			

When used as a premium basis:

**FOR PUBLIC AUTOS**

Gross Receipts means the total amount to which you are entitled for transporting passengers, mail or merchandise during the policy period regardless of whether you or any other carrier originate the transportation. Gross Receipts does not include:

- A.** Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
- B.** Advertising Revenue.
- C.** Taxes which you collect as a separate item and remit directly to a governmental division.
- D.** C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing units operated during the policy period.

**FOR RENTAL OR LEASING CONCERNS**

Gross receipts means the total amount to which you are entitled for the leasing or rental of "autos" during the policy period and includes taxes except those taxes which you collect as a separate item and remit directly to a governmental division.

Mileage means the total of all live and dead mileage developed by all the autos you leased or rented to others during the policy period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions** of the **BUSINESS AUTO COVERAGE FORM** and **SECTION V - GARAGE CONDITIONS, B. General Conditions** of the **GARAGE COVERAGE FORM** are amended to include the following:

### **Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## INDIANA UNINSURED MOTORIST COVERAGE

Throughout this endorsement "you" and "your" refer to the organization(s) and a natural person(s) shown as a Named Insured on this endorsement. "You" and "your" do not refer to any other person(s) or organization(s), including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as a Named Insured on this endorsement.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

### BUSINESS AUTO COVERAGE FORM GARAGE COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the Coverage Form effective on the effective date of the Coverage Form unless another date is indicated below.

Endorsement Effective: <b>05-01-2020</b>	Policy Number: <b>EBA 053 36 25</b>
Named Insured:  <b>THOMPSON THRIFT DEVELOPMENT INC</b>	

### Schedule

Bodily Injury	\$	Each Accident
Bodily Injury and Property Damage	\$ <b>SEE AA4183</b>	Each Accident

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section **C** - EXCLUSIONS applies in its entirety unless an "X" is entered below:

☒ If an "X" is entered in this box, Exclusion **8**. does not apply.

#### A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or operator of an "uninsured motor vehicle". The damages must result from:
  - a. "Bodily injury" sustained by the "insured" and caused by an "accident" with an "uninsured motor vehicle"; or
  - b. "Property damage" caused by an "accident" with an "uninsured motor vehicle" if the Schedule or the Declarations indicates that both "bodily injury" and "property damage" Uninsured Motorist Coverage apply.

The owner's or operator's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".

#### B. Who is an Insured

The following are "insureds":

1. If any natural persons are specifically listed as a Named Insured on this endorsement, the following persons are "insureds":
  - a. Natural persons specifically listed as a Named Insured on this endorsement.
  - b. "Family members" of natural persons specifically listed as a Named Insured on this endorsement.
  - c. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- d. Any natural person, but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraphs **B.1.a.**, **b.** or **c.**
  - e. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
2. If an entity other than a natural person is listed as a Named Insured on this endorsement, the following persons are "insureds":
    - a. Any natural person, but only for injuries that occur while "occupying" a covered "auto" or a temporary substitute for such covered "auto". In such case, the covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
    - b. Any natural person is an "insured", but only for damages he or she is entitled to recover because of "bodily injury" sustained by an "insured" described in Paragraph **B.2.a.**
    - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when the person is an "insured" for Liability under the Coverage Form.
  3. Employees of the Named Insured, but only for injuries arising out of and incurred while in the course and scope of employment for the Named Insured shown in the endorsement.
  4. Anyone for injuries incurred while "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  5. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
  6. The Named Insured for "property damage" only.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits, or similar laws.
  3. The direct or indirect benefit of any insurer of property.
  4. "Bodily injury" sustained by an "insured" while the "insured" is operating or "occupying" a "motor vehicle" owned by, furnished to or available for the regular use of a Named Insured or, if the Named Insured is a natural person, a spouse or a resident relative of such Named Insured, if the "motor vehicle" is not specifically identified in the Coverage Form or is not a newly acquired or replacement "motor vehicle" covered under the terms of the Coverage Form.
  5. "Property damage" to an "auto" or to property contained in an "auto" owned by you which is not a covered "auto".
  6. "Bodily injury" suffered by any "insured" while operating or "occupying" a "motor vehicle" without a reasonable belief they are entitled to do so. Under no circumstances will an "insured" whose license has been suspended, revoked or never issued be held to have a reasonable belief they are entitled to operate a "motor vehicle".
  7. "Property damage" for which the "insured" has been or is entitled to be compensated by other property or physical damage insurance.
  8. The first \$300 of the amount of "property damage" to the property of each "insured" as the result of any one "accident". This exclusion does not apply if your covered "auto" is legally parked and unoccupied when involved in an "accident" with an "uninsured motor vehicle".
  9. "Property damage" caused by a hit-and-run vehicle.
  10. Punitive or exemplary damages.
  11. "Noneconomic loss" sustained by any "insured" if such "insured" is an uninsured motorist with a previous violation as defined in Indiana code Section 27-7-5.1.
- However, Exclusion **C.11.** does not apply to an "insured" under 18 years of age.

#### C. Exclusions

This insurance does not apply to:

1. Any claim settled with the person(s) or organization(s) legally responsible for the "accident" or the insurer or legal representative of such person(s) or organization(s) without our consent.

#### D. Limit of Insurance

1. Regardless of the number of policies, covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages, including damages claimed by any person or organization for care, loss of services, or death due to and arising out of any one "accident" is the limit of **Uninsured Mo-**

**torist Coverage** shown in the Schedule or the Declarations.

2. The limit of insurance provided in this endorsement shall be reduced by all sums available for payment to the "insured" for "bodily injury" under all liability bonds or policies covering person or organizations legally liable for the "accident".
3. Any amount payable for damages under this coverage shall be reduced by all sums paid or payable under any workers' compensation, personal injury protection benefits, disability benefits, pension statutes, or similar laws.
4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this endorsement or any Liability Coverage Form.

We will not make a duplicate payment under this endorsement for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits, or similar laws, including medical payments made under any statute.

5. We will not pay for a "loss" which is paid or payable under Physical Damage Coverage.
6. No "insured" shall recover duplicate payments for the same elements of "loss" or payments in excess of damages sustained.

#### E. Changes in Conditions

The **Conditions** for **Indiana Uninsured Motorist Coverage** are changed as follows:

1. **Other Insurance Condition** in the Business Auto and Garage Coverage Forms changed as follows:

If there is other applicable insurance available under one or more policies or provisions of coverage, the following priorities of coverage apply:

<b>FIRST PRIORITY</b>	The Uninsured Motorist Coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident".
<b>SECOND PRIORITY</b>	Any other Coverage Form or policy affording Uninsured Motorist Coverage to the "insured".

- a. The Limit of Insurance for the "motor vehicle" the "insured" was "occupying" under the Coverage Form or policy in the first priority shall first be exhausted.

- b. The maximum recovery for damages under all Coverage Forms or policies may equal but shall not exceed the highest applicable limit for any one "motor vehicle" under any insurance providing coverage on either a first or second priority basis.
- c. We will pay only our share of the "loss". Our share is the proportion that our limit of insurance bears to the total of all limits applicable to the same level of priority.

#### 2. **Transfer of Rights of Recovery Against Others to Us** is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. If we make a payment because the insurer of the "uninsured motor vehicle" is or becomes insolvent, the **Transfer of Rights of Recovery Against Others to Us** Condition does not apply to any rights of recovery against:
  - (1) The Indiana Guaranty Fund; or
  - (2) The "insured" of the insolvent insurer, except in amounts that exceed the limit of liability of the Coverage Form or policy that was issued by that insolvent insurer.

#### 3. **Duties in the Event of Accident, Claim, Suit or Loss** is changed by adding the following:

- a. You or any other involved "insured" must promptly notify the police if a hit-and-run driver is involved;
- b. You or any other involved "insured" must promptly send us copies of the legal papers if a "suit" is brought; and
- c. You and any other involved "insured" must cooperate with us in the investigation, settlement or defense of any claim or "suit". Cooperation includes, but is not limited to, identifying all parties who may be responsible for the accident and all insurers who may be obligated to provide coverage.

#### 4. **Legal Action Against Us**

No lawsuit or action whatsoever or any proceeding in arbitration shall be brought against us for the recovery of any claim under the provisions of the Uninsured Motorist Coverage of this Coverage Form unless the "insured" has satisfied all of the things that

"insured" is required to do under this endorsement. Any claim or suit for Uninsured Motorist Coverage must be brought within two (2) years from the date of the "accident".

5. The following Condition is added:

#### **ARBITRATION**

a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or operator of an "uninsured motor vehicle" or do not agree as to the amount of damages that is recoverable by that "insured" then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

- (1) Whether the "insured" is legally entitled to recover damages; and
- (2) The amount of damages. This applies only if the amount does not exceed the minimum limit for liability specified by the financial responsibility law of Indiana. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

#### **F. Additional Definitions**

As used on this endorsement:

1. "Family member" means a natural person who is related to and is a resident of the same household as a natural person shown as a Named Insured in this endorsement. Such relation may be by blood, marriage or adoption, and may include a ward or foster child.

2. "Motor vehicle" means a self-propelled vehicle designed for use and principally used on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. "Motor vehicle" also includes a motor home, provided the motor home is not stationary and is not being used as a temporary or permanent residence or office. "Motor vehicle" does not include a trolley, streetcar, "trailer", railroad engine, railroad car, motorized bicycle, golf cart, off-road recreational vehicle, snowmobile, fork lift, aircraft, watercraft, construction equipment, farm tractor or other vehicle designed and principally used for agricultural purposes, mobile home, vehicle traveling on treads or rails, or any similar vehicle.

3. "Noneconomic loss" means costs for physical and emotional pain and suffering, physical impairment, emotional distress, mental anguish, loss of enjoyment, loss of companionship, services and consortium, and any other noneconomic damages.

4. "Occupying" means in, upon, getting in, on, out or off.

5. "Property damage" means damage to a covered "auto" property owned by the Named Insured, if the Named Insured is an individual, a "family member" while contained in a covered "auto". However, "property damage" does not include loss of use of damaged or destroyed property. This definition replaces the definition in the Policy.

6. "Uninsured motor vehicle" means a land "motor vehicle" or "trailer":

- a. For which no liability bond or policy applies at the time of an "accident" provides at least the amounts required by the financial responsibility law of Indiana;
- b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- c. Which is a hit-and-run "motor vehicle" and neither the operator nor owner can be identified. A hit and run vehicle is one that causes "bodily injury" to an "insured" by hitting the "insured", a covered "auto" or a "motor vehicle" an "insured" is "occupying".

We will only accept convincing evidence which may include the testimony, under oath, of a person making claim under this or similar coverage.

However, "uninsured motor vehicle" does not include any "motor vehicle":



- a.** Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b.** Owned by a governmental unit or agency.
- c.** Designed for use mainly off public roads while not on public roads.
- d.** Owned by or furnished or available for your regular use or that of any "family member" or any other "insured".
- e.** For which liability coverage is afforded under this Coverage Form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES**

For a covered "auto" licensed in, or "garage operations" conducted in, Indiana, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement or to any amendment to or replacement thereof, the provisions of the coverage form apply unless modified by the endorsement.

### **Changes In Conditions**

- A.** Except as provided in Paragraph **B.** of this endorsement, **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is changed by adding the following and supersedes any provision to the contrary:

If there is other applicable insurance available under one or more policies or provisions of coverage, any insurance we provide for any covered "auto" owned by an "insured" is primary and shall first be exhausted.

- B.** **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is changed by adding the following:

1. When two coverage forms providing liability coverage apply to an "auto" and:
  - a. One provides coverage to a named insured engaged in the business of selling, repairing, servicing, delivering, testing, road testing, parking or storing "autos"; and

- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" a person described in **1.b.** is operating an "auto" owned by the business described in **1.a.**, then that person's liability coverage is primary and the coverage form issued to a business described in **1.a.** is excess over any coverage available to that person.

2. When two coverage forms providing liability coverage apply to an "auto" and:

- a. One provides coverage to a named insured engaged in the business of repairing, servicing, parking or storing "autos"; and
- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" an "insured" under the coverage form described in **2.a.** is operating an "auto" owned by a person described in **2.b.**, then the liability coverage form issued to the business described in **2.a.** is primary and the coverage form issued to a person described in **2.b.** is excess over any coverage available to the business.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYEE HIRED AUTOS**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes in Liability Coverage**

The following is added to the **Who is an Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

### **B. Changes in General Conditions**

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto, Business Auto Physical Damage and Garage Coverage Forms, Paragraph **5.d.** of the **Other Insurance - Primary and Excess Insurance Provisions** Condition in the Truckers Coverage Form and Paragraph **5.f.** of the **Other Insur-**

**ance - Primary and Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LOSS PAYABLE CLAUSE**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** We will pay, as interest may appear, you and the loss payee named in the policy for "loss" to a covered "auto".
- B.** The insurance covers the interest of the loss payee unless the "loss" results from conversion, secretion or embezzlement on your part.
- C.** We may cancel the policy as allowed by the CANCELLATION Common Policy Condition.

Cancellation ends this agreement as to the loss payee's interest. If we cancel the policy we will mail you and the loss payee the same advance notice.

- D.** If we make any payments to the loss payee, we will obtain his or her rights against any other party.

**2018 FORD F150  
FIRST FINANCIAL BANK  
PO BOX 540  
TERRE HAUTE, IN 47808-0540**

**1FTMF1CBXJKF52274**

**2018 FORD F150  
FIRST FINANCIAL BANK  
PO BOX 540  
TERRE HAUTE, IN 47808-0540**

**1FTMF1CB7JKE43836**

**2020 FORD EXPEDITION  
FORD CREDIT  
PO BOX 650575  
DALLAS, TX 75265-0575**

**1FMJK1PT7LEA17806**



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AUTO MEDICAL PAYMENTS COVERAGE**

Throughout this Coverage Form "you" and "your" refer to the organization and any specifically named natural persons shown as the Named Insured in the Business Auto or Garage Coverage Part Declarations. "You" and "Your" do not refer to any other persons or organizations, including but not limited to agents, employees, servants, members, shareholders or independent contractors of any person or organization shown as the Named Insured in the Business Auto or Garage Coverage Part Declarations.

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM GARAGE COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### **A. Coverage**

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred and reported to us, for services rendered within three years from the date of the "accident".

#### **B. Who is an Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. "Family members" of natural persons shown as Named Insureds in the Business Auto or Garage Coverage Part Declarations while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone for injuries while "occupying" a covered "auto".
4. Anyone for injuries while "occupying" a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

#### **C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned

by or furnished or available for the regular use of any "family member".

4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

**D. Limit of Insurance** SEE AA4183

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

**E. Changes in Conditions**

The Conditions are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer of Rights of Recovery Against Others to Us** Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

# THE CINCINNATI INSURANCE COMPANY

## COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS

Previous Policy Number **EPP0533625**

Attached to and forming part of POLICY NUMBER **EPP 053 36 25** Effective Date: **05-01-2020**

**NAMED INSURED** is the same as it appears in the Common Policy Declarations unless another entry is made here.  
**THOMPSON THRIFT DEVELOPMENT INC**

**REFER TO US901**

### LIMITS OF INSURANCE

\$ **10,000,000** Each Occurrence Limit \$ **10,000,000** Aggregate Limit

**ADVANCE PREMIUM \$ 21,126**

Applicable to Premium, if box is checked:

☐ Subject to Annual Adjustment

☐ Subject to Audit (see Premium Computation Endorsement for Rating Basis)

### SCHEDULE OF UNDERLYING INSURANCE

Insurer, Policy Number & Period:	Underlying Insurance:	Underlying Limits:
(a) <b>CINCINNATI INS CO</b> <b>EWC 046 92 29</b> <b>12-31-2020 TO 12-31-2021</b>	Employer's Liability	Bodily Injury by Accident: \$ <b>100,000</b> Each Accident Bodily Injury by Disease: \$ <b>100,000</b> Each Employee Bodily Injury by Disease: \$ <b>500,000</b> Policy Limit
(b) <b>CINCINNATI INS. CO.</b> <b>EPP 053 36 25</b> <b>05-01-2020 TO 05-01-2021</b>	<input checked="" type="checkbox"/> Commercial General Liability Including: <input checked="" type="checkbox"/> Products-Completed Operations Coverage  <input type="checkbox"/> Cemetery Professional <input type="checkbox"/> Druggist Professional <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Pedorthists Professional  <input checked="" type="checkbox"/> Ohio Liability Coverage Enhancement  or <input type="checkbox"/> Business Liability Including: <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Druggist Professional	Bodily Injury and Property Damage Liability: \$ <b>1,000,000</b> Each Occurrence Limit \$ <b>2,000,000</b> General Aggregate Limit \$ <b>2,000,000</b> Products-Completed Operations Aggregate Limit  Personal and Advertising Injury Limit: \$ <b>1,000,000</b> Any One Person or Organization
(c) <b>CINCINNATI INS. CO.</b> <b>EBA 053 36 25</b> <b>05-01-2020 TO 05-01-2021</b>	Automobile Liability Including: <input checked="" type="checkbox"/> Owned Autos <input checked="" type="checkbox"/> Non-Owned Autos <input checked="" type="checkbox"/> Hired Autos <input type="checkbox"/> Any Auto	Bodily Injury Liability Limit: \$ Each Person \$ Each Occurrence Property Damage Liability Limit: \$ Each Occurrence or Bodily Injury Liability and / or Property Damage Liability or Both Combined Limit: \$ <b>1,000,000</b> Each Occurrence

(d)	Professional	\$	
		\$	Aggregate

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(e)	CINCINNATI INS. CO. EPP 053 36 25 05-01-2020 TO 05-01-2021	Employee Benefit Liability	\$	1,000,000	Each Employee Limit
			\$	3,000,000	Aggregate Limit

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(f)		Liquor Liability	\$		Each Common Cause Limit
			\$		Aggregate Limit

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Other

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**FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:**

US101UM	12/04	COMMERCIAL UMBRELLA - TABLE OF CONTENTS
US3048	12/04	FUNGI OR BACTERIA EXCLUSION
US3056	09/17	EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS
US306	12/04	AUTO LIABILITY LIMITATION
US3090IN	05/14	INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION
US3093	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
US341	12/04	REAL ESTATE PROPERTY MANAGED EXCLUSION
US352	12/04	PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION
US385	12/04	REAL ESTATE OPERATIONS LIMITATION
US390	12/04	TOTAL POLLUTANT EXCLUSION - OTHER THAN AUTO
US395	12/04	LEAD LIABILITY EXCLUSION
US4062	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS - LIMITATION
US407	12/04	EMPLOYEE BENEFIT LIABILITY
US4098	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
US901	07/08	COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS NAMED INSURED

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## COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERAGE

#### A. Insuring Agreement

1. We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies:
  - a. Which is in excess of the "underlying insurance"; or
  - b. Which is either excluded or not insured by "underlying insurance".
2. This insurance applies to "bodily injury", "personal and advertising injury" or "property damage" only if:
  - a. The "bodily injury", "personal and advertising injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
  - b. The "bodily injury" or "property damage" occurs during the policy period shown in the Declarations; or
  - c. The "personal and advertising injury" results from an "occurrence" that takes place during the policy period shown in the Declarations; and
  - d. Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, or a "personal and advertising injury" offense is committed, you did not know, per Paragraph 5. below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, or

that the "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part.

3. "Bodily injury" or "property damage" which:
  - a. Occurs during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have occurred;includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
4. "Personal and advertising injury" caused by an offense which:
  - a. Was committed during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have been committed;includes any continuation, change or resumption of that "personal and advertising injury" offense after the end of the "coverage term" in which it first became known by you.
5. You will be deemed to know that "bodily injury" or "property damage" has occurred, or that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":
  - a. Reports all, or any part, of the "bodily injury", "personal and advertising injury" or "property damage" to us or any other insurer;
  - b. Receives a written or verbal demand or claim for damages because of the "bodily injury", "personal and advertising injury" or "property damage";
  - c. First observes, or reasonably should have first observed, the "bodily injury" or "property damage", or the offense that caused the "personal and advertising injury";
  - d. Becomes aware, or reasonably should have become aware, by any means, other than as described in c. above, that "bodily injury" or "prop-



erty damage" had occurred or had begun to occur, or that the "personal and advertising injury" offense had been committed or had begun to be committed; or

- e. Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury", "personal and advertising injury" or "property damage" is substantially certain to occur.
6. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE.**

No other obligation or liability to pay sums or perform acts or services is covered, unless expressly provided for under **SECTION I - COVERAGE, C. Defense and Supplementary Payments.**

## **B. Exclusions**

This insurance does not apply to:

### **1. Asbestos**

Any liability arising out of, attributable to or any way related to asbestos in any form or transmitted in any manner.

### **2. Breach of Contract, Failure to Perform, Wrong Description and Violation of Another's Rights**

"Personal and advertising injury":

- a. Arising out of breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- b. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- c. Arising out of the wrong description of the price of goods, products or services stated in your "advertisement"; or
- d. Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### **3. Contractual Liability**

Any liability for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "bodily injury", "personal

and advertising injury" or "property damage":

- a. That the insured would have in the absence of the contract or agreement; or
- b. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "personal and advertising injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

### **4. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

### **5. Damage to Property**

"Property damage" to property owned by any insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

### **6. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.

### **7. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.



**8. Distribution of Material in Violation of Statutes**

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**9. Electronic Chatrooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**10. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

**11. Employer's Liability Limitation**

Any liability arising from any injury to:

- a. An "employee" of the insured sustained in the "workplace";
- b. An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of **a.** or **b.** above.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply when such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or

would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**12. Employment-Related Practices**

Any liability arising from any injury to:

- a. A person arising out of any:
  - (1) Refusal to employ that person;
  - (2) Termination of that person's employment; or
  - (3) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of any injury to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**13. Expected or Intended Injury**

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually intended or expected.

However, this exclusion does not apply to:

- a. "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- b. "Bodily injury" or "property damage" resulting from the use of reasonable force to prevent or eliminate danger

in the operation of "autos" or watercraft.

**14. Falsity, Prior Publication, Criminal Act and Media and Internet Type Businesses**

"Personal and advertising injury":

- a. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the later of the following:
  - (1) The inception of this Coverage Part; or
  - (2) The "coverage term" in which insurance coverage is sought;
- c. Arising out of a criminal act committed by or at the direction of the insured; or
- d. Committed by an insured whose business is:
  - (1) Advertising, broadcasting, publishing or telecasting;
  - (2) Designing or determining content of web-sites for others; or
  - (3) An Internet search, access, content or service provider.

However, Paragraph **d.** does not apply to Paragraphs **17.a., b., c., d.** and **i.** of "personal and advertising injury" under **SECTION V - DEFINITIONS.**

For the purposes of Paragraph **d.**, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**15. Infringement of Copyright, Patent, Trademark or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement in your "advertisement", of copyright, trade dress or slogan.

**16. Pollutant - Auto**

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":

- (1) That are, or that are contained in any property that is:

- (a) Being transported or towed by, handled, or handled for movement into, onto or from, an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;

- (b) Otherwise in the course of transit by or on behalf of the insured; or

- (c) Being stored, disposed of, treated or processed in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;

- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; or

- (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion to the place where they are finally delivered, disposed of or abandoned by the insured.

Paragraph (1) above does not apply to "bodily injury" or "property damage" arising from fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their

behalf in any other fashion or its parts, if:

- (a) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (b) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** and **(3)** of the definition of "mobile equipment".

However, this exception to Paragraph **(1)** does not apply if the fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed, emitted or released.

Paragraphs **(2)** and **(3)** above do not apply to an "occurrence" that occurs away from premises owned by or rented to an insured with respect to "pollutants" not in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; and
  - (b) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- b. Any liability caused by "pollutants" and arising from the operation, maintenance, use, "loading or unloading" of an "auto", for which insurance coverage is excluded by "underlying insurance".

#### **17. Pollutant - Other Than Auto**

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":

- (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.

However, Paragraph **a.(1)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury", if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use by the building's occupants or their guests;
- (b) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to your "underlying insurance" as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;
- (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

However, Paragraph **a.(4)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by

such insured, contractor or subcontractor;

- (b) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

- (5) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of, "pollutants".

- b. "Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.

- c. Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Paragraph **c.** does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement,

or such claim or "suit" by or on behalf of a governmental authority.

- d. Any liability caused by "pollutants", for which insurance coverage is excluded by "underlying insurance".

**18. Recall of Products, Work or Impaired Property**

Any liability or damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. "Your product";
- b. "Your work"; or
- c. "Impaired Property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**19. Unauthorized Use of Another's Name or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag or any other similar tactics to mislead another's potential customers.

**20. Uninsured / Underinsured Motorist**

Any liability or obligation to any insured or anyone else under any uninsured motorist, underinsured motorist, automobile no-fault or first party personal injury law.

**21. War**

Any liability, however caused, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

**22. Workers' Compensation**

Any liability or obligation of the insured under any workers' compensation, unemployment compensation, disability benefits or similar law. However, this exclusion does not apply to liability of others assumed by you under an "insured contract" in existence at the time of "occurrence".

**C. Defense and Supplementary Payments**

1. We will have the right and duty to defend the insured against any "suit" seeking damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies. We will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result when:
  - a. The applicable limits of the "underlying insurance" and any other insurance have been exhausted by payment of claims; or
  - b. Damages are sought for "bodily injury", "personal and advertising injury" or "property damage" which are not covered by "underlying insurance" or other insurance.
2. Our right and duty to defend ends when the applicable Limits of Insurance, as stated in the Declarations, has been exhausted by payment of claims.
3. We have no duty to investigate, settle or defend any claim or "suit" other than those circumstances described in Paragraph C.1. However, we do have the right to participate in the investigation, settlement or defense of any claim or "suit" to which this insurance applies. If we exercise this right, we will do so at our expense.
4. If there is no underlying insurer or other insurance obligated to do so, we will pay the following when we provide a defense:
  - a. All expenses we incur.
  - b. The cost of bail bonds up to \$3,000. We do not have to furnish these bonds.
  - c. The cost of bonds to appeal a judgment or award in any claim or "suit" we defend and the cost of bonds to



release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.

- d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including the actual loss of earnings.
  - e. All costs taxed against the insured in the "suit".
5. If there is no underlying insurer obligated to do so, we will pay the following for an "occurrence" to which this insurance applies, even if we have no duty to provide a defense:
- a. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable Limit of Insurance. If we make an offer to pay the applicable Limits of Insurance, we will not pay any prejudgment interest based on the period of time after the offer.
  - b. All interest awarded against the insured on the full amount of any judgment that accrues:
    - (1) After entry of the judgment; and
    - (2) Before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
6. The payments described in Paragraphs 4. and 5. above will not reduce the Limits of Insurance provided by this Coverage Part when defense or supplementary payments provided by the "underlying insurance" do not reduce their Limits of Insurance. However, when defense or supplementary payments provided by the "underlying insurance" reduce their Limits of Insurance then such expense payments paid by us will reduce the Limits of Insurance provided by this Coverage Part.
7. If we are prevented by law or otherwise from carrying out any of the provisions of **SECTION I - COVERAGE, C. Defense and Supplementary Payments**, we will pay any expense incurred with our written consent.

## SECTION II - WHO IS AN INSURED

- 1. Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto":
  - a. If you are designated in the Declarations as:
    - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
    - (2) A partnership or joint venture, you are an insured. Your members, partners and their spouses are also insureds, but only with respect to the conduct of your business.
    - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
    - (4) An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Each of the following is also a Named Insured:
      - (a) Any "subsidiary" company of such organization, including any "subsidiary" of such "subsidiary":
        - 1) Existing at the inception of this Coverage Part; or
        - 2) Formed or acquired on or after the inception of this Coverage Part.
      - (b) Any other company controlled and actively managed by such organization or any "subsidiary" thereof:
        - 1) At the inception of this Coverage Part; or
        - 2) If the control and active management thereof is acquired on or after the inception of this Coverage Part.
- (5) A trust, you are an insured. Your trustees are also insureds, but only

- with respect to their duties as trustees.
- b.** Each of the following is also an insured:
- (1)** Any "employee" of yours while acting within the scope of their duties as such.
  - (2)** Any person or organization while acting as your real estate manager.
  - (3)** Any person or organization having proper temporary custody of your property if you die, but only:
    - (a)** With respect to liability arising out of the maintenance or use of that property; and
    - (b)** Until your legal representative has been appointed.
  - (4)** Your legal representative if you die, but only with respect to duties as such.
- 2.** Only with respect to liability arising out of the ownership, maintenance, occupancy or use of an "auto":
- a.** You are an insured.
  - b.** Anyone else while using with your permission an "auto" you own, hire or borrow is also an insured except:
    - (1)** The owner or any other person or organization (except your "executive officers" or principals) from whom you hire or borrow an "auto", unless such persons or organizations are insureds in your "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance". This exception does not apply if the "auto" is a trailer or semi-trailer connected to an "auto" you own.
    - (2)** Your "employee", if the "auto" is owned by that "employee" or a member of his or her household, unless:
      - (a)** Such "employee" is an insured with respect to that "auto" in the "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance"; or
      - (b)** The "bodily injury" or "property damage" is sustained by a co-"employee" of such "employee".
- (3)** Someone using an "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos", unless that business is yours.
- (4)** Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
- c.** Anyone liable for the conduct of an insured described in Paragraphs **2.a.** and **b.** above is also an insured, but only if they are provided insurance coverage for such liability by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is provided by such "underlying insurance".
- 3.** At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs **1.** and **2.** above covered in the "underlying insurance" listed in the Schedule of Underlying Insurance are also insureds, but only to the extent that insurance is provided for such additional insureds thereunder.
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

- 1.** The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a.** Insureds;
  - b.** Claims made or "suits" brought; or
  - c.** Persons or organizations making claims or bringing "suits".
- 2.** The Aggregate Limit is the most we will pay for all damages:
  - a.** Included in the "products-completed operations hazard";
  - b.** Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you; or

- c. Because of "bodily injury", "personal and advertising injury" or "property damage" not included within a. or b. above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to a., b. and c. The Aggregate Limit described in c. will apply only to damages not subject to a. or b. above.

3. Subject to the Limit of Insurance described in 2.c. above:

- a. Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to 2.a. or b. above that is applicable separately to each:

(1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to operations at only a single location, then the Aggregate Limit described in 2.c. above applies separately to each location owned by, or rented or leased to you.

(2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed only to ongoing operations and only at a single construction project, then the Aggregate Limit described in 2.c. above applies separately to each of your construction projects.

- b. Only with respect to the application of Limits of Insurance described in 3.a. above, the following terms location and construction project will have the following meanings:

(1) Location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

(2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected

ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

4. Subject to the limits described in 2. and 3. above, the Each Occurrence Limit is the most we will pay for the "ultimate net loss":

- a. In excess of the applicable limits of "underlying insurance"; or
- b. If an "occurrence" is not covered by "underlying insurance", but covered by the terms and conditions of this Coverage Part,

Because of all "bodily injury", "personal and advertising injury" and "property damage" arising out of any one "occurrence".

We will not pay more than the Limit of Insurance shown in this Coverage Part's Declarations for each "occurrence" because any Personal Umbrella Liability Policy(ies) is / are attached to this policy.

5. Subject to the limits described in 2., 3. and 4. above and to the terms and conditions of the "underlying insurance":

- a. If the limits of "underlying insurance" have been reduced by payment of claims, this Coverage Part will continue in force as excess of the reduced "underlying insurance"; or
- b. If the limits of "underlying insurance" have been exhausted by payment of claims, this Coverage Part will continue in force as "underlying insurance".

6. The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

## SECTION IV - CONDITIONS

### 1. Appeals

If the insured or any insurer who provides the applicable "underlying insurance" elects not to appeal a judgment which exceeds the "underlying limit", we may elect to do so at our own expense. We shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall this provision increase our liability beyond:

- a. Our applicable Limits of Insurance for all "ultimate net loss";
- b. Our applicable Defense and Supplementary Payments as described in SEC-



**TION I - COVERAGE, C. Defense and Supplementary Payments; and**

- c. The expense of such appeal.

**2. Audit**

If this Coverage Part is subject to Audit, as indicated in the Declarations, then the following Condition applies:

- a. The premium shown in the Premium Computation Endorsement as Advance Premium is a deposit premium. At the close of each audit period, we will compute the earned premium for that period. If:

- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us. The due date for audit and retrospective premiums is the date shown as the due date on the bill.

However, in no event will the earned premium be less than the Minimum Premium stated in the Premium Computation Endorsement.

- b. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**3. Bankruptcy**

Bankruptcy or insolvency of the insured or the insured's estate shall not relieve us of any obligations under this Coverage Part.

**4. Duties in the Event of Occurrence, Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim or "suit". To the extent possible, notice should include:

- (1) How, when and where the "occurrence" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence".

This requirement applies only when the "occurrence" is known to an "authorized representative".

- b. If a claim is made or "suit" is brought against any insured that is likely to involve this Coverage Part, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

This requirement will not be considered breached unless the breach occurs after such claim or "suit" is known to an "authorized representative".

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**5. First Named Insured**

The person or organization first named in the Declarations will act on behalf of all other insureds where indicated in this Coverage Part.

**6. Legal Action Against Us and Loss Payments**

- a. No legal action may be brought against us unless there has been full compliance with all the terms of this Coverage Part nor until the amount of the insured's obligation to pay has been finally determined as provided below. No person or organization has any right under this Coverage Part to bring us into any action to determine the liability of the insured.

- b. We shall be liable for payment of the "ultimate net loss" for any "occurrence" to which this Coverage Part applies:

- (1) For "occurrences" not covered by "underlying insurance"; or

- (2) In excess of the "underlying limit" applicable to the "occurrence" only after the insurers who provide the applicable "underlying insurance" have paid or become obligated to pay the amount of the "underlying limit" applicable to the "occurrence".

Our payment will be made following final determination of the amount of the insured's obligation to pay either by final judgment against the insured or by written agreement with the insured, the claimant, the underlying insurers and us.

#### 7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

Will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

#### 8. Maintenance of Underlying Insurance

- a. While this Coverage Part is in effect, the insured shall maintain in force the "underlying insurance" listed in the Schedule of Underlying Insurance as collectible insurance. The terms, conditions and endorsements of "underlying insurance" will not materially change and renewals or replacements of "underlying insurance" will not be more restrictive in coverage.
- b. Limits of "underlying insurance" will not be reduced, except for any reduction or exhaustion in the aggregate limits of insurance due to payment of claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
- c. In the event you fail or neglect to maintain "underlying insurance" as required, this Coverage Part will apply as though such "underlying insurance" was in force and collectible at the time a claim is presented to us which is in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.

- d. The limits of "underlying insurance" shall be deemed applicable, regardless of any defense which the insurer who provides the "underlying insurance" may assert because of the insured's failure to comply with any Condition of the policy or the inability of the insurer to pay by reason of bankruptcy or insolvency.

#### 9. Other Insurance

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

#### 10. Premium

The premium for this Coverage Part shall be as stated in the Declarations. The advance and anniversary premiums are not subject to adjustment, except as stated in the Declarations, or as stated in an endorsement issued by us to form a part of this Coverage Part.

You shall maintain records of such information as is necessary for premium computation, and shall, if requested by us, send copies of such records to us at the end of the "coverage term" and at such times during the policy period as we may direct.

#### 11. Representations

- a. By acceptance of this Coverage Part, you agree that the statements in the Declarations are your agreements and representations, that this Coverage Part is issued in reliance upon the truth of such representations and that this Coverage Part embodies all agreements existing between you and us or any of our agents relating to this insurance.
- b. However, to the extent that the following applies in the "underlying insurance" listed specifically in the Schedule of Underlying Insurance, it will also apply to this Coverage Part:

Based on our reliance upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this Coverage Part, we will not reject coverage under this Coverage Part based solely on such failure.

#### 12. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**13. Transfer of Rights of Recovery Against Others to Us**

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. Any recoveries shall be applied as follows:
  - (1) First, we will reimburse anyone, including the insured, the amounts actually paid by them that were in excess of our payments;
  - (2) Next, we will be reimbursed to the extent of our actual payment; and
  - (3) Lastly, any amounts left after meeting the obligations outlined in (1) and (2) above will be distributed to anyone else known to us at the time a recovery is made and who is legally entitled to such recovery.

Expenses incurred in the recovery shall be apportioned among all interests in the ratio of their respective recoveries as finally settled. If there is no recovery as a result of our attempts, we shall bear all of the recovery expenses.

- c. If prior to an "occurrence" to which this Coverage Part would apply, you and the issuer of your applicable "underlying insurance" listed specifically in the Schedule of Underlying Insurance waive any right of recovery against a person or organization for injury or damage, we will also waive any rights we may have against such person or organization.

**14. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
- 2. "Authorized representative" means:
  - a. If you are:
    - (1) An individual, you and your spouse are "authorized representatives".
    - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
    - (3) A limited liability company, your members and your managers are "authorized representatives".
    - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".
    - (5) A trust, your trustees are "authorized representatives".
  - b. Your "employees" assigned to manage your insurance program, or assigned to give or receive notice of an "occurrence", claim or "suit" are also "authorized representatives".
- 3. "Auto" means:
  - a. Any land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

"Auto" does not include "mobile equipment".

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means anywhere.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any similar governing document.
10. "Hostile fire" means one that becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement,if such property can be restored to use by:
  - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business, other than a contract or agreement pertaining to the rental or lease of any "auto", (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
  - g. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".



Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing. However, if such liability is insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, this Paragraph (1) shall not apply for such hazards for which insurance coverage is afforded by such "underlying insurance";
  - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
    - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
  - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities;
  - (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;
  - (5) Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (4), above;
  - (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet Services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks;
  - (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above;
  - (8) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - (9) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of an "auto" over a route or territory that person or organization is authorized to serve by public authority.
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
14. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - b. While it is in or on an aircraft, watercraft or "auto"; or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

**15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:**

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in **a., b., c. or d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a., b., c. or d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

**16. "Occurrence" means:**

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general harmful conditions, act or offense shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

**17. "Personal and advertising injury" means injury, including "bodily injury", arising out of one or more of the following offenses:**

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Abuse of process;
- d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - g. The use of another's advertising idea in your "advertisement";
  - h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
  - i. Discrimination, unless insurance coverage therefor is prohibited by law or statute.
18. "Pollutants" mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, re-conditioned or reclaimed. "Pollutants" include, but are not limited to, substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. The insured uses, generates or produces the "pollutant".
19. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in your contract has been completed.
      - (b) When all of the work to be done at the site has been completed, if your contract calls for work at more than one site.
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- b. Does not include "bodily injury" or "property damage" arising out of:
    - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
    - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
20. "Property damage" means:
- a. Physical injury to or destruction of tangible property including all resulting loss of use. All such loss of use shall be deemed to occur at the time of the physical injury or destruction that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
21. "Subsidiary" means any organization in which more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled, directly or indirectly, in any combination, by one or more of the Named Insureds.
22. "Suit" means a civil proceeding in which money damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such money damages are claimed and to which the insured must submit or does submit with our consent;
  - b. Any other alternative dispute resolution proceeding in which such money damages are claimed and to which the insured submits with our consent; or
  - c. An appeal of a civil proceeding.

23. "Temporary worker" means a person who is furnished to you to:
- Substitute for a permanent "employee" on leave; or
  - Meet seasonal or short-term workload conditions.
24. "Ultimate net loss" means the sum actually paid or payable in the settlement or satisfaction of the insured's legal obligation for damages, covered by this insurance, either by adjudication or compromise. "Ultimate net loss" does not include Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments** of this Coverage Part.
25. "Underlying insurance" means the insurance listed in the Schedule of Underlying Insurance and the insurance available to the insured under all other insurance policies applicable to the "occurrence". "Underlying insurance" also includes any type of self-insurance or alternative method by which the insured arranges for funding of legal liabilities that affords coverage that this Coverage Part covers.
26. "Underlying limit" means the total of the applicable limits of all "underlying insurance" less the amount, if any, by which the applicable limit of the applicable policy listed in the Schedule of Underlying Insurance has been reduced solely by payment of loss resulting from claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
27. "Workplace" means that place and during such hours to which the "employee" sustaining injury was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".
28. "Your product":
- Means:
- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
- You;
  - Others trading under your name; or
  - A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
- Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
  - The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
29. "Your work":
- Means:
- Work or operations performed by you or on your behalf; and
  - Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
- Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
  - The providing of or failure to provide warnings or instructions.



# NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

## COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

**A. SECTION I - COVERAGE, B. Exclusions** is modified to add the following:

This insurance does not apply to:

1. Any liability:
  - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Any liability resulting from the "hazardous properties" of "nuclear material", if
  - a. The "nuclear material" (1) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom,
  - b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - c. The injury or damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if

such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion c. applies only to "property damage" to such "nuclear facility" and any property thereat.

**B. SECTION V - DEFINITIONS** is hereby modified to add the following definitions:

1. "Hazardous properties" include radioactive, toxic or explosive properties;
2. "Nuclear material" means "source material", "special nuclear material" or "by-product material";
3. "Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
5. "Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
6. "Nuclear facility" means:
  - a. Any "nuclear reactor";
  - b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", (3) or handling, processing or packaging "waste";
  - c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear materials", if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of

plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations con-

ducted on such site and all premises used for such operations;

- 7. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- 8. "Property damage" includes all forms of radioactive contamination of property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART - CLAIMS MADE**

**I. SECTION I - COVERAGE, B. Exclusions**  
(and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

**a.** Any liability caused directly or indirectly, in whole or in part, by any actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Absorption of;
- (5) Exposure to;
- (6) Existence of; or
- (7) Presence of,

any "fungi" or bacteria on or within a building or structure, including its contents, whether occurring suddenly or gradually;

- b.** Any loss, cost or expense associated in any way with, or arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, mitigating or disposing of, or in any way responding to, investigating, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity;
- c.** Any liability, with respect to "fungi" or bacteria, arising out of, resulting from, caused by, contributed to, or in any way related to

any supervision, instruction, recommendation, warning or advice given or which should have been given in connection with:

- (1) The existence of "fungi" or bacteria;
- (2) The prevention of "fungi" or bacteria;
- (3) The remediation of "fungi" or bacteria;
- (4) Any operation described in Paragraph **b.** above;
- (5) "Your product"; or
- (6) "Your work"; or

- d.** Any obligation to share damages with or repay any person, organization or entity, related in any way to the liability excluded in Paragraphs **a.**, **b.** or **c.** above;

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

However this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human ingestion.

**II.** For the purposes of this endorsement, **SECTION V - DEFINITIONS** is amended to include the following:

"Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - REAL ESTATE AGENTS OR BROKERS ERRORS OR OMISSIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART-CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability arising out of any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal and advertising injury", involved any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AUTO LIABILITY LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any "auto", unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is afforded by such "underlying insurance".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA AMENDATORY EXCLUSION - LIABILITY ARISING FROM STATUTE OR REGULATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

### **SCHEDULE**

#### **Description of Statute:**

Clean Air Act (CAA): 42 U.S.C. §7401 *et seq.*; Clean Water Act (CWA): 33 U.S.C. §1251 *et seq.*; Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund): 42 U.S.C. §9601 *et seq.*; Emergency Planning and Community Right to Know Act of 1986 (EPCRA): 42 U.S.C. §11004 *et seq.*; Federal Insecticide, Fungicide and Rodenticide Act (FIFRA): 7 U.S.C. §136 *et seq.*; Marine Protection, Research and Sanctuaries Act of 1972 (MPRAS): 33 U.S.C. §1401-1445; 16 U.S.C. §1431-1445; Oil Pollution Act of 1990 (OPA): 33 U.S.C. §2701 *et seq.*; Resource Conservation and Recovery Act (RCRA): 42 U.S.C. §6901 *et seq.*; Rivers and Harbors Act of 1899: 33 U.S.C. §407 *et seq.*; Safe Drinking Water Act (SDWA): 42 U.S.C. §300f *et seq.*; Surface Mining Control and Reclamation Act of 1977 (SMCRA): 30 U.S.C. §1234-1328; Toxic Substances Control Act of 1976 (TSCA): 15 U.S.C. § 2601-2695; Pollution Prevention Act (PPA): 42 U.S.C. §13101 *et seq.*; Indiana code, Title 13. Environmental (including but not limited the following sections): Enforcement and Legal Actions: I.C. §13-30 *et seq.*; Environmental Legal Action Statute (ELA): I.C. §13-30-9 *et seq.*; Environmental Management; I.C. §13-13 *et seq.*; Air Pollution: I.C. §13-17 *et seq.*; Water Pollution: I.C. §13-18 *et seq.*; Solid Waste Management: I.C. §13-20 *et seq.*; Electronic Waste: I.C. §13-20.5 *et seq.*; Hazardous Waste Management: I.C. §13-22 *et seq.*; Underground Storage Tank: I.C. §13-23 *et seq.*; Petroleum: I.C. §13-24 *et seq.*; Hazard Substances: I.C. §13-25 *et seq.*; and Industrial Pollution: I.C. §13-27 *et seq.*

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to liability arising from one or more of the statutes shown in the Schedule, as amended, or any regulation authorized by or implementing the statutes.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL  
OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY  
- WITH LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to delete Exclusion **10. Electronic Data** in its entirety and replace it with the following:

This insurance does not apply to:

**10. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Any liability arising out of:

- a.** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b.** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **a.** or **b.** above.

However, this exclusion does not apply:

- (1)** To damages because of "bodily injury", unless Paragraph **a.** above applies; and
- (2)** When such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE PROPERTY MANAGED EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

"Property damage" to property you operate or manage or for which you act as agent for the collection of rents or act in any other supervisory capacity.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

"Property damage" to personal property not owned by an insured and in the care, custody or control of an insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE OPERATIONS LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

With respect to real estate operations, this insurance applies only to "bodily injury", "personal and advertising injury" or "property damage" arising out of the ownership, operation, maintenance or use of:

- a. Such part of any premises you use for general office purposes; and
- b. Premises listed with you for sale or rental, if:
  - (1) You do not own, operate, manage or rent the premises;
  - (2) They are not in your care, custody, or control; or
  - (3) You do not act as agent for the collection of rents or in any supervisory capacity.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL POLLUTANT EXCLUSION - OTHER THAN AUTO**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified as follows:

Exclusion **17. Pollutant - Other Than Auto** (Exclusion **1.q.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is hereby deleted and replaced by the following:

### **Pollutant - Other Than Auto**

This insurance does not apply to:

- a.** Any liability caused by "pollutants".
- b.** Any loss, cost or expense arising out of any:
  - (1)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (2)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LEAD LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

- a.** Any liability arising out of, resulting from, or in any way caused by or contributing to the actual, alleged or threatened ingestion, inhalation, absorption of, exposure to or presence of lead in any form emanating from any source.
- b.** Any loss, cost or expense arising out of, resulting from or in any way related to any:
  - (1)** Claim, "suit", request, demand, directive, or order by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of lead in any form; or
  - (2)** Claim or "suit" by or on behalf of any person, entity, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE  
INSURANCE LAWS - LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law, unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYEE BENEFIT LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

This policy is modified to add the following:

**I. SECTION I - COVERAGE, A. Insuring Agreement(s)** is modified to add the following:

**EMPLOYEE BENEFIT LIABILITY:**

We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages because of any negligent act, error or omission of the insured or any other person for whose acts the insured is legally liable arising out of the administration of the insured's employee benefit programs.

This insurance applies only to negligent acts, errors or omissions:

- a.** Whose damages are in excess of the "underlying insurance" provided by an Employee Benefit Liability policy listed in the Schedule of Underlying Insurance; and
- b.** Which occur during the policy period.

**II. SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following exclusion:

This insurance does not apply to:

Any liability arising out of employee benefit programs unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

**SECTION - IV CONDITIONS** is amended to include the following:

### **Office of Foreign Assets Control (OFAC) Compliance**

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE DECLARATIONS  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART DECLARATIONS  
EXCESS LIABILITY COVERAGE PART DECLARATIONS**

**NAMED INSURED**

THOMPSON THRIFT DEVELOPMENT INC  
THOMPSON THRIFT PROPERTIES LLC  
3600 S 41 LLC  
TT COMMERCIAL TWO LLC  
GEIST LANDING OF FISHERS LLC  
TT COMMERCIAL THREE LLC  
4790 S 41 LLC  
COOL CREEK VILLAGE LLC  
WARSAW 15-300N I LLC  
WARSAW 15-300N III LLC  
100 DETTRO DRIVE MATTOON LLC  
4800 S 41 LLC  
TT FORT WAYNE LLC  
4423 S 41 LLC  
TT COMMERCIAL FOUR LLC  
JP COMMERCIAL LLC  
10720 E HWY 36 LLC  
DREXEL OAK CREEK WI LLC  
901 WABASH LLC  
TT COMMERCIAL ONE LLC  
111 LAKEVIEW LLC  
900 OHIO LLC  
921 OHIO LLC  
TT CROWN POINT LLC  
4780 E MARGARET AVE LLC  
SPRINGDALE POINTE LLC  
WESTERN PLAZA LLC  
CASSOPOLIS STREET ELKHART LLC  
SIMON ROAD FRANKLIN LLC  
925 WABASH LLC  
ALEXANDRIA PIKE HIGHLAND HEIGHTS LLC  
THOMPSON THRIFT HOLDING CO LLC  
FISHERS MARKET SQUARE DRIVE LLC  
106TH STREET PARTNERS LLC  
TTS LAND CO LLC  
TT S 41 LLC  
BAUER FARM LAWRENCE KS LLC  
ICEBREAKER DEVELOPMENT LLC  
QUEEN CREEK AZ LLC  
FISHERS MARKET PLACE LOT 4E LLC  
2007 S HWY 27 SOMERSET KY LLC  
HWY 41A HOPKINSVILLE KY LLC  
200 CROSSROADS PLOVER WI LLC  
BELL ROAD SURPRISE AZ LLC  
CHANDLER BLVD CHANDLER AZ LLC  
SPRINGDALE POINTE MTB LLC  
HUNTSVILLE MADISON AL LLC  
300 SHERIDAN LLC  
SPRINGDALE ESTATES FISHERS IN LLC  
3131 CAMELBACK RD LLC  
BAUER FARM LAWRENCE KS LLC  
WATERMARK AT TIFFANY SPRINGS MO LLC  
WATERMARK AT GILBERT AZ LLC



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE DECLARATIONS  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART DECLARATIONS  
EXCESS LIABILITY COVERAGE PART DECLARATIONS**

**NAMED INSURED**

BELL ROAD SURPRISE AZ LLC  
SHELBYVILLE RD LOUISVILLE KY LLC  
LOT 1A ELKHART LLC  
GEIST LANDING II LLC  
WATERMARK AT HUNTSVILLE AL LLC  
WATERMARK AT BRIARGATE CO LLC  
WATERMARK AT PEORIA AZ LLC  
WATERMARK AT POWER RD II LLC  
CORTARO COMMERCIAL JV LLC  
CONCORD MILLS MEZZ LLC  
CONCORD MILLS NC LLC  
TTRG FISHERS DISTRICT LLC  
WATERMARK AT FISHERS DISTRICT LLC  
CHANDLER BLVD CHANDLER AZ LLC  
TTRG COMMERCE CITY LLC  
LAKE PLEASANT PEORIA AZ LLC  
116TH STATION FISHERS IN LLC  
WATERMARK AT DEV SPRING TX LLC  
WATERMARK AT DAVENPORT FL LLC

ONI RISK PARTNERS INC  
PO BOX 80159  
INDIANAPOLIS, IN 46280

## EXHIBIT 4

### To: Insured

THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE, IN 47807

### Your Independent Agent

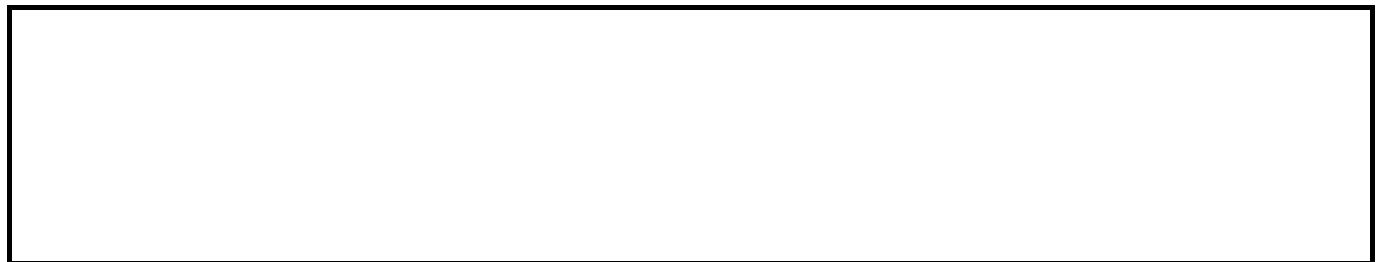
ONI RISK PARTNERS INC  
PO BOX 80159  
INDIANAPOLIS, IN 46280

Thank you for insuring with State Auto Insurance Companies. Attached is information about your new business, renewal or policy change. Please contact your agent with any questions.

Your coverages are listed on the attached declarations pages. Any new or revised coverage forms are attached.

The State Auto Insurance companies and your independent agent strive to provide overwhelming service to you. Please let us know how we can best serve your needs.

***This policy is billed by your agent. Your agent will contact you regarding any billing adjustment.***



**SCHEDULE OF PAYMENTS**

**ISSUE DATE 11/23/20**

<b>ACCOUNT ID</b>	AC00054162 001 00001	<b>POLICY EFFECTIVE DATE</b>	12/01/20	<b>CPP</b>
<b>INSURED ID</b>		<b>POLICY EXPIRATION DATE</b>	12/01/21	
<b>POLICY ID</b>	SPP2505525 00 07 V7			

**INSURED NAME**

THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE IN 47807

<b>DATE</b>	<b>DESCRIPTION</b>	<b>PREMIUM</b>	<b>INST. CHG.</b>
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12-01-20	RENEWAL	\$124,080.00	
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<b>TOTAL</b>		\$124,080.00	
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**THIS SCHEDULE OF PAYMENTS IS FOR INFORMATION PURPOSES ONLY.  
YOUR AGENT WILL CONTACT YOU FOR ANY PREMIUM ADJUSTMENT.**

**AGENT NAME:** ONI RISK PARTNERS INC  
PO BOX 80159  
INDIANAPOLIS

**TELEPHONE:** 812-478-6000

IN 46280

**SCHEDULE OF PAYMENTS**

ISSUE DATE 11/23/20

ACCOUNT ID	AC00054162 001 00001	POLICY EFFECTIVE DATE	12/01/20	CPP
INSURED ID		POLICY EXPIRATION DATE	12/01/21	
POLICY ID	SPP2505525 00 07 V7			

**INSURED NAME**

THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE IN 47807

DATE	DESCRIPTION	PREMIUM	INST. CHG.	COMMISSION
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12-01-20	RENEWAL	\$124,080.00		15.00 %
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TOTAL		\$124,080.00		\$18,612.00
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AGENT NAME: ONI RISK PARTNERS INC  
PO BOX 80159  
INDIANAPOLIS

TELEPHONE: 812-478-6000  
IN 46280 0054162

**SPP 2505525 00**

## NAMED INSURED AND MAILING ADDRESS:

**THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE, IN 47807**

## AGENT NAME AND ADDRESS:

**ONI RISK PARTNERS INC  
PO BOX 80159  
INDIANAPOLIS, IN 46280**

**(812) 478-6000**

*Dear Valued Customer,*

*Thank you for allowing us to provide your important insurance protection. Your satisfaction with your insurance coverage is essential to us and we would like to keep you informed about changes to your policy.*

*Please take a moment and review the notices listed below. These notices are intended to make you aware of important changes such as coverage broadenings, reductions or restrictions. Your careful review is appreciated.*

*If you have any questions about these changes, please contact your insurance agency at the address and phone number shown above.*

*Again, thank you for placing your insurance with State Auto Insurance Companies!*

**POLICYHOLDER INFORMATION**

PN 01 55 01 10	Consumer Information - Indiana
CG 67 6 04 95	Retain Original Policy Documents
PN 02 39 07 07	If You Have a Claim
PS 05 32 07 15	Indiana Mine Subsidence Limits Increase
PS 05 32 01 17	Importance Notice Regarding Mine Subsidence
PS 00 11 07 07	Notice of Premium Audit
MC 78 03 91	Contractors - Hiring Subcontractors - SAVE Information
PS 00 28 01 12	Data Compromise Breach Helpline
PS 00 38 01 14	Data Compromise Breach E-Risk Hub Stuffer
PS 00 42 07 18	eRisk Hub Policy Stuffer
PN 02 33 07 07	Lead Exclusion
PN 02 34 07 07	Asbestos Exclusion
PN 02 37 07 07	Limited Coverage for Terrorism



## BE PREPARED FOR A CYBER ATTACK OR A DATA BREACH!

### CHECK OUT THE STATE AUTO RISK MANAGEMENT PORTAL!

A business that experiences a cyber attack or data breach needs to protect its reputation. You've taken that first step towards protecting your business by purchasing a State Auto business insurance policy with our exclusive **CyberSecure** coverage.

**Question?** If your organization suffers a cyber attack or a data breach, would you be prepared especially knowing that time is of the essence? As part of your **CyberSecure** coverage, State Auto provides you an online risk management portal that helps business owners prepare and respond effectively to data breach and cyber-attacks. There is **no cost to you!** This is a complimentary service as a State Auto **CyberSecure** policyholder. Now you can develop an effective response plan in advance of an attack or a breach that can help you be prepared, protect your customer relationships, and protect your business reputation.

This valuable tool is called the **eRiskHub<sup>E</sup>** portal, and it's designed to help you better understand your risks and establish a response plan so you can minimize the financial effects of a cyber attack or data breach should one occur.

#### Key Features of the eRiskHub<sup>E</sup> Portal

- \* Incident Response Plan Roadmap - suggested steps to take following an attack or breach
- \* Online Training Modules - ready-to-use training on privacy Best Practices and Red Flag Rules
- \* Risk Management Tools - assist you in managing our cyber risk, including state notification laws
- \* News Center - current and timely cyber risk and security news stories, helpful industry links, security blogs
- \* Learning Center - Best Practices stories and webinars from leading cyber security experts
- \* eRisk Resources - a directory to quickly find external resources on pre- and post-breach disciplines

#### Register Today and Begin Enjoying the Benefits

To access the eRiskHub<sup>E</sup> portal, all you need to do is register and set up your unique User ID and Password. Just follow these steps:

- \* Go to <https://eriskhub.com/stateauto>
- \* Complete the information in the center of the page, including your name and company. Please note that your User ID and Password are case-sensitive.
- \* Enter your assigned **access code: 12116-4**.
- \* Enter the challenge word on the screen and click "Submit".
- \* You will get a "Registration Complete" message on the next screen. You can now login to the portal.

The eRiskHub<sup>E</sup> portal is service maintained by NetDiligence<sup>E</sup>. Use of the service is subject to the provider's website terms and conditions.

## NOTICE TO INDIANA POLICYHOLDERS

Questions regarding your policy or coverage should be directed to:

State Auto Insurance Companies  
Claims Division  
518 East Broad Street  
Columbus, OH 43215  
Phone: 833-724-3577 (833-SAHELPS)

We want you to know that you may contact the Indiana Department of Insurance if you have a complaint or seek assistance from the governmental agency that regulates insurance. To contact the department of Insurance, write or call:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street, Suite 300  
Indianapolis, IN 46204  
Consumer Hotline: (800) 7622-4461; (317) 232-2395

Complaints can be filed electronically at [www.in.gov.idoi](http://www.in.gov.idoi).

**PN 01 55 01 10 Page 1 of 1**

\*\*\*PN0155-201001

## **POLICYHOLDER DISCLOSURE - NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act (Act), as amended, that you have a right to purchase insurance coverage for losses arising out of certified acts of terrorism. The term "certified act of terrorism" means any act that is certified by the Secretary of the Treasury - in accordance with the provisions of the federal Terrorism Risk Insurance Act - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that coverage provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided on the policy Declarations page and does not include any charges for the portion of loss covered by the federal government under the act.

### **LIMITATION ON PAYMENT OF TERRORISM LOSSES**

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurer's liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

If you purchase this coverage on an umbrella policy, you must also purchase this coverage for underlying general liability policies.

In the context of a newly issued policy or renewal offer, this form becomes part of the application for this coverage.

### **You may select terrorism insurance coverage as follows:**

The portion of your annual policy premium that is attributable to coverage for certified acts of terrorism is shown on the declarations page. If you wish to reject this coverage, please read and complete the form below.

### **You may reject terrorism insurance coverage as follows:**

You may elect to decline coverage for certified acts of terrorism. However, if your policy covers property located in a state with a fire following statutory requirement, the terrorism exclusion makes an exception for fire losses to such covered property resulting from certified acts of terrorism. If you choose to decline coverage for certified acts of terrorism, that rejection is not applicable to fire losses to property in those states resulting from certified acts of terrorism, unless excepted by statute or other regulatory means. A separate premium is displayed on the declarations page for coverage for fire losses that result from certified acts of terrorism.



To reject coverage, you must 'X' the box below, sign your name, print your name, date this form and return it to the company within 30 days. If you choose not to reject this coverage, you do not need to return this form.

	I hereby elect to exclude losses arising from certified acts of terrorism and understand that I will have no coverage for losses resulting from certified acts of terrorism. I understand that if I exclude certified acts of terrorism coverage, coverage will not be available until my next renewal.
--	---

<p>_____ Policyholder/Applicant's Signature</p> <p>_____ Print Name</p> <p>_____ Date</p>	<p style="text-align: center;">State Auto Property and Casualty Insurance Co.</p> <p style="text-align: center;">_____ Insurance Company</p> <p style="text-align: center;">SPP    2505525    00</p> <p style="text-align: center;">_____ Policy Number</p>
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13    —    0054162

ONI RISK PARTNERS INC  
PO BOX 80159  
INDIANAPOLIS, IN 46280

(812) 478-6000

## **POLICYHOLDER DISCLOSURE - NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act (Act), as amended, that you now have a right to purchase insurance coverage for losses arising out of certified acts of terrorism. The term "certified act of terrorism" means any act that is certified by the Secretary of the Treasury- in accordance with the provisions of the federal Terrorism Risk Insurance Act-to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know regarding coverage provided by this policy for losses resulting from certified acts of terrorism such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is discussed below and does not include any charges for the portion of loss covered by the federal government under the act.

### **LIMITATION ON PAYMENT OF TERRORISM LOSSES**

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurer's liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

### **Selection of terrorism insurance coverage**

The portion of your annual policy premium that is attributable to coverage for certified acts of terrorism is shown on the declarations page. If you wish to reject this coverage, please read and complete the form below.

Note: Be advised that while this policy does provide coverage for certain terrorism losses in compliance with the Federal Terrorism Risk Insurance Act, it does not cover all types of terrorism losses, and in fact, excludes coverage for certain losses, such as those that are the result of a terrorist act that was not committed on behalf of any foreign person or foreign government and is a result of nuclear, biological or chemical agents. You are not covered for such losses unless your insurance company has offered you additional terrorism coverage for such losses and you have paid an additional premium for that coverage, if required to do so by the insurance company.

### **Rejection of terrorism insurance coverage**

You may elect to decline coverage for certified acts of terrorism. However, if your policy covers property located in a state with a fire following statutory requirement, the terrorism exclusion makes an exception for fire losses to such covered property resulting from certified acts of terrorism. If you choose to decline coverage for certified acts of terrorism, that rejection is not applicable to fire losses to property in those states resulting from certified acts of terrorism, unless excepted by statute or other regulatory means. A separate premium is displayed on the declarations page for coverage for fire losses that result from certified acts of terrorism.

If you purchase this coverage on an umbrella policy, you must also purchase this coverage for underlying general liability policies.

In the context of a newly issued policy or renewal offer, this form becomes part of the application for this coverage.

To reject coverage, you must 'X' the box below, sign your name, print your name, date this form and return it to the company within 30 days. If you choose not to reject this coverage, you do not need to return this form.

	I hereby elect to exclude losses arising from certified acts of terrorism and understand that I will have no coverage for losses resulting from certified acts of terrorism. I understand that if I exclude certified acts of terrorism coverage, coverage will not be available until my next renewal.
--	---

\_\_\_\_\_  
Policyholder/Applicant's Signature

\_\_\_\_\_  
State Auto Property and Casualty Insurance Co.  
Insurance Company

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
SPP 2505525 00  
Policy Number

\_\_\_\_\_  
Date

13 —

ONI RISK PARTNERS INC  
PO BOX 80159  
INDIANAPOLIS, IN 46280

(812) 478-6000

**SPP 2505525 00**

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## **YOUR BUSINESS POLICY RENEWAL**

**PLEASE RETAIN YOUR ORIGINAL POLICY FOR  
A COMPLETE DESCRIPTION OF YOUR COVERAGE**

**STATE AUTO INSURANCE COMPANIES**



Thank you for allowing us to serve your insurance needs

**STATE AUTO** Claim Handlers:  
Fair, Friendly and Fast

State Auto is proud of the service we provide our policyholders when they have a claim. We hope you never have a claim but, if you do, we want to make it as painless and worry-free as possible. We're committed to providing service that's fast - as well as fair and friendly. In fact, we pledge to make an honest effort to contact you within two hours of the time we receive the report of your loss.\*

Please notify your agent as soon as feasible if you have a claim. The sooner your agency knows about your loss, the sooner they can report it to us so we can begin working with you to handle the claim.

\* Although we always want to accomplish the two-hour contact time mentioned in our pledge - and we usually do call within that time period - we're sure you understand that may be impossible at certain unusual times such as when we're faced with a large weather-related catastrophe affecting many people in the same area.

**To report a claim:**

- \* Call your agent or
- \* Call State Auto directly at 833-724-3577 (833-SAHELPS) or
- \* Report your claim on [StateAuto.com](https://www.stateauto.com)

**PN 02 39 07 07 Page 1 of 1**

\*/PN 02 39 07 07



SPP 2505525 00

## IMPORTANT NOTICE REGARDING MINE SUBSIDENCE LIMITS INCREASE

The Indiana Mine Subsidence Insurance limits have been increased from a maximum of \$200,000 to \$500,000. The eligible counties and corresponding premium amounts are shown below.

Clay	Crawford	Daviess	Dubois	Fountain
Gibson	Greene	Knox	Lawrence	Martin
Monroe	Montgomery	Orange	Owen	Parke
Perry	Pike	Posey	Putnam	Spencer
Sullivan	Vanderburgh	Vermillion	Vigo	Warren
Warrick				

Dwellings			Non Dwellings		
Coverage	Amount	Premium	Coverage	Amount	Premium
\$ 0	to \$ 25,000	\$ 24.00	\$ 0	to \$ 25,000	\$ 42.00
\$ 25,001	to \$ 40,000	\$ 30.00	\$ 25,001	to \$ 35,000	\$ 48.00
\$ 40,001	to \$ 60,000	\$ 36.00	\$ 35,001	to \$ 45,000	\$ 54.00
\$ 60,001	to \$ 75,000	\$ 42.00	\$ 45,001	to \$ 55,000	\$ 60.00
\$ 75,001	to \$ 100,000	\$ 60.00	\$ 55,001	to \$ 65,000	\$ 66.00
\$ 100,001	to \$ 125,000	\$ 80.00	\$ 65,001	to \$ 75,000	\$ 72.00
\$ 125,001	to \$ 150,000	\$ 98.00	\$ 75,001	to \$ 85,000	\$ 75.00
\$ 150,001	to \$ 175,000	\$ 114.00	\$ 85,001	to \$ 100,000	\$ 90.00
\$ 175,001	to \$ 200,000	\$ 130.00	\$ 100,001	to \$ 125,000	\$ 115.00
\$ 200,001	to \$ 225,000	\$ 146.00	\$ 125,001	to \$ 150,000	\$ 138.00
\$ 225,001	to \$ 250,000	\$ 163.00	\$ 150,001	to \$ 175,000	\$ 159.00
\$ 250,001	to \$ 275,000	\$ 179.00	\$ 175,001	to \$ 200,000	\$ 179.00
\$ 275,001	to \$ 300,000	\$ 195.00	\$ 200,001	to \$ 225,000	\$ 207.00
\$ 300,001	to \$ 325,000	\$ 211.00	\$ 225,001	to \$ 250,000	\$ 230.00
\$ 325,001	to \$ 350,000	\$ 228.00	\$ 250,001	to \$ 275,000	\$ 253.00
\$ 350,001	to \$ 375,000	\$ 244.00	\$ 275,001	to \$ 300,000	\$ 276.00
\$ 375,001	to \$ 400,000	\$ 260.00	\$ 300,001	to \$ 325,000	\$ 299.00
\$ 400,001	to \$ 425,000	\$ 276.00	\$ 325,001	to \$ 350,000	\$ 322.00
\$ 425,001	to \$ 450,000	\$ 293.00	\$ 350,001	to \$ 375,000	\$ 345.00
\$ 450,001	to \$ 475,000	\$ 309.00	\$ 375,001	to \$ 400,000	\$ 368.00
\$ 475,001	to \$ 500,000	\$ 325.00	\$ 400,001	to \$ 425,000	\$ 391.00
			\$ 425,001	to \$ 450,000	\$ 414.00
			\$ 450,001	to \$ 475,000	\$ 437.00
			\$ 475,001	to \$ 500,000	\$ 460.00

This coverage will protect your property from damage due to the collapse of abandoned underground coal mines. Without this specific coverage, damage caused by mine subsidence is not covered by your policy.

Should you have any questions about this coverage or the program in general, you should contact your agent or call the Indiana Department of Insurance at 1-800-332-4674 (in-state) or 317-232-2385.



SPP 2505525 00

## IMPORTANT NOTICE REGARDING MINE SUBSIDENCE

The Indiana Mine Subsidence Insurance program has been revised to include an offer of up to \$15,000 for additional living expenses for dwellings. The cost of the additional living expense is \$5 added to the policy premium shown below. The eligible counties and corresponding premium amounts are shown below.

Clay	Crawford	Daviess	Dubois	Fountain
Gibson	Greene	Knox	Lawrence	Martin
Monroe	Montgomery	Orange	Owen	Parke
Perry	Pike	Posey	Putnam	Spencer
Sullivan	Vanderburgh	Vermillion	Vigo	Warren
Warrick				

Dwellings(add \$5 for Additional Living Expense)			Non Dwellings		
Coverage Amount		Premium	Coverage Amount		Premium
\$ 0	to \$ 25,000	\$ 24.00	\$ 0	to \$ 25,000	\$ 42.00
\$ 25,001	to \$ 40,000	\$ 30.00	\$ 25,001	to \$ 35,000	\$ 48.00
\$ 40,001	to \$ 60,000	\$ 36.00	\$ 35,001	to \$ 45,000	\$ 54.00
\$ 60,001	to \$ 75,000	\$ 42.00	\$ 45,001	to \$ 55,000	\$ 60.00
\$ 75,001	to \$ 100,000	\$ 60.00	\$ 55,001	to \$ 65,000	\$ 66.00
\$ 100,001	to \$ 125,000	\$ 80.00	\$ 65,001	to \$ 75,000	\$ 72.00
\$ 125,001	to \$ 150,000	\$ 98.00	\$ 75,001	to \$ 85,000	\$ 75.00
\$ 150,001	to \$ 175,000	\$ 114.00	\$ 85,001	to \$ 100,000	\$ 90.00
\$ 175,001	to \$ 200,000	\$ 130.00	\$ 100,001	to \$ 125,000	\$ 115.00
\$ 200,001	to \$ 225,000	\$ 146.00	\$ 125,001	to \$ 150,000	\$ 138.00
\$ 225,001	to \$ 250,000	\$ 163.00	\$ 150,001	to \$ 175,000	\$ 159.00
\$ 250,001	to \$ 275,000	\$ 179.00	\$ 175,001	to \$ 200,000	\$ 179.00
\$ 275,001	to \$ 300,000	\$ 195.00	\$ 200,001	to \$ 225,000	\$ 207.00
\$ 300,001	to \$ 325,000	\$ 211.00	\$ 225,001	to \$ 250,000	\$ 230.00
\$ 325,001	to \$ 350,000	\$ 228.00	\$ 250,001	to \$ 275,000	\$ 253.00
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\$ 425,001	to \$ 450,000	\$ 293.00	\$ 350,001	to \$ 375,000	\$ 345.00
\$ 450,001	to \$ 475,000	\$ 309.00	\$ 375,001	to \$ 400,000	\$ 368.00
\$ 475,001	to \$ 500,000	\$ 325.00	\$ 400,001	to \$ 425,000	\$ 391.00
			\$ 425,001	to \$ 450,000	\$ 414.00
			\$ 450,001	to \$ 475,000	\$ 437.00
			\$ 475,001	to \$ 500,000	\$ 460.00

This coverage will protect your property from damage due to the collapse of abandoned underground coal mines. Without this specific coverage, damage caused by mine subsidence is not covered by your policy.

Should you have any questions about this coverage or the program in general, you should contact your agent or call the Indiana Department of Insurance at 1-800-332-4674(in-state) or 317-232-2385.



## ATTENTION POLICYHOLDER

### Notice of Premium Audit

When we issue a General Liability or Workers Compensation insurance coverage, we base its premiums on estimated values over the upcoming policy period, such as payroll, sales or the cost of work subcontracted to others. Throughout the policy period, the actual values may fluctuate from the amounts used to estimate the policy premium.

To determine the actual values developed over the policy period, we may conduct a premium audit at the end of the term by way of an accounting records review. This review may be by telephone, mail, or a physical examination of the business's accounting records by a State Auto representative.

Final premiums are then adjusted up or down, based on how the actual values compared to the originally estimated values.

**Here are some suggestions that can help make the premium audit process take as little of your time as possible, yet result in the most accurate calculation of your actual premium:**

1. Before your scheduled appointment with the auditor, have your payroll and sales records ready for review for the policy period being audited.
2. Payroll should include an itemized list of all employees and all labor used, and their payroll including overtime, commissions and bonuses for each job duty performed.
3. Sales include the total gross income from the sale and/or installation of goods you sold.
4. If you hire any subcontractors, be prepared to provide the names and the total cost of labor and materials used or delivered for use in the execution of work done by each contractor.
5. The auditor will also ask to review the liability certificates of insurance for the subcontractors doing work on your behalf.

We recommend you require certificates of insurance from all of your subcontractors and keep them on file. Not only can this practice help protect you from the financial consequences of losses caused by your subcontractors, it can also help you avoid potentially higher premium charges than if this important risk management control were not in place.

By maintaining proper accounting records and providing information as requested during the premium audit, you help to manage your overall insurance costs.

**Please contact your State Auto agent should you have any questions relating to your policy.**



## ATTENTION CONTRACTORS - IT'S TIME TO SAVE!

Protect yourself from needless costs and liabilities. Follow these important steps when working with subcontractors.

**S**afety programs are essential for your subcontractors as well as your own employees.

For the safety of all workers on your job sites, it's essential that subcontractors observe the loss control regulations you've established for your business.

Make sure that the contracts you sign require your subcontractors to comply with all state safety requirements, as well as your own safety standards. The documents should also specify that if subcontractors in turn hire subcontractors, the latter must also comply.

Clearly state your own safety regulations within the contract. Be sure to describe the steps you will take if any subcontractor fails to correct an unsafe condition on the job. This way, everyone knows what's expected -- and what will happen if standards are not met.

**A**greements with your subcontractors on their responsibilities should be entered into before work begins.

Hold-Harmless Agreements are an important form of protection for your business. When written in your favor, these legal documents confirm that your subcontractors will assume liability for Bodily Injury or Property Damage losses arising from their actions -- whether suffered by the public or by another contractor's employees on the job site.

Hold-Harmless Agreements are a vital supplement to Certificates of Insurance. These documents confirm that subcontractors are responsible for their own work -- as well as their own insurance protection. Make sure that both are received before your subcontractors begin their activities. Remember that these documents should certify protection for the full duration of the subcontractor's job.

**V**erify insurance protection is secured by all subcontractors before work begins.

The subcontractors you hire should carry their own General Liability, Automobile Liability and Workers Compensation insurance. Their failure to do so can cost you in two ways:

- ' In many states, subcontractors who do not carry their own coverage are treated as your employees for insurance purposes. (Their employees would also be treated as part of your work force.) This may increase the cost of your General Liability and Workers Compensation insurance.

- ' As general contractor, you may be held responsible for the work of your subcontractors. If they have no insurance, you may have to pay for Bodily Injury or Property Damage losses arising from their actions. State law may also require you to pay for injuries suffered by uninsured subcontractors or their employees, if these injuries occur on your job site.

Help prevent these problems by requiring that all subcontractors supply Certificates of Insurance for General Liability, Auto Liability and Workers Compensation coverages before they start work. File these documents in a secure place -- and check with subcontractors regularly to make certain coverage has not lapsed or been cancelled. Coverage must remain in force for the entire period your subcontractors will be on the job.

While we cannot suggest what limits will be adequate, the following may be used as a guideline. These are the minimum limits required to save you the cost of providing for your Subcontractors' protection under your coverage.

#### **Minimum General Liability Coverage**

- ' \$300,000 Products/Completed Operations Aggregate
- ' \$300,000 General Aggregate
- ' \$300,000 Any One Occurrence (Coverage A)
- ' \$300,000 Any One Person or Organization (Coverage B)

**NOTE:** Your subcontractors' General Liability coverage must be written on an occurrence basis.

IF THE WORK BEING PERFORMED BY SUBCONTRACTORS IS UNUSUALLY HAZARDOUS, YOU SHOULD REQUIRE HIGHER GENERAL LIABILITY LIMITS. Your agent can help you establish the proper limits for greater-than-average exposures.

#### **Minimum Automobile Liability Coverage**

\$300,000 Each Accident

**NOTE:** Your subcontractors' Auto Liability coverage should be written to cover all owned and non-owned autos.

#### **Minimum Employers Liability Coverage**

(Coverage "B" on the Workers Compensation Policy)

\$100,000 Each Accident  
\$100,000 Each Employee for Injury by Disease  
\$500,000 Aggregate for Injury by Disease

**E**

nter each job with the security of knowing you've protected yourself and your subcontractors.

Your agent will be glad to answer any questions you have about protection for you and your subcontractors. We encourage you to take these steps today to protect yourself and those who work for you.



## IMPORTANT INFORMATION

This notice describes an additional benefit being provided to you as a State Auto policyholder with Data Compromise Plus coverage. Please review this document carefully and contact your agent if you have any questions.

### STATE AUTO INSURANCE IDENTITY RECOVERY HELP LINE

**1-800-414-9783**

This policy provides you access to the State Auto Insurance Identity Recovery Help Line. The identity recovery help line can provide individuals who qualify as an "identity recovery insured" with:

- 1) Information and advice for how to respond to a possible "identity theft"; and
- 2) Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

An "identity recovery insured" means:

- a. An individual or sole proprietor when the policyholder is described as an Individual or Sole proprietor.
- b. The current partners when the policyholder is described as a partnership.
- c. All the individuals having 20% or more ownership interest for policyholders described as a corporation or other organization. However, if no one has an ownership position of 20% or more, then the "identity recovery insured" will be the chief executive officer or with respect to a religious institution, the senior ministerial employee.

**No coverage is provided by this notice nor can it be construed to replace any provision of your policy. This notice is only intended to bring more attention to this valuable service which is part of the Data Compromise Plus coverage you have elected to purchase. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.**

**Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to increase or reduce your limits, please contact your independent State Auto Insurance agent.**



## Be Prepared for a Data Breach!

### Check Out The eRisk Hub Risk Management Portal!

You've taken a great first step toward protecting your business from a data breach by purchasing a State Auto business insurance policy with our exclusive Data Compromise Plus coverage.

However, if your organization suffers a data breach, would you be prepared? As we all know from the news, even very large companies aren't always ready to respond. Yet, when a breach occurs, time is of the essence.

Now you can develop an effective data breach response plan in advance of a crisis that can help you be prepared, protect your customer relationships, and protect your business reputation.

As part of your Data Compromise Plus coverage, State Auto provides you an online data breach portal that equips you with a risk management tool to help you be prepared should a breach occur. There is no cost to you! This is a complimentary service to you as a State Auto Data Compromise Plus policyholder.

The portal is called **eRisk Hub**, and it's designed to help you better understand your risks and establish a response plan so you can minimize the financial effects of a data breach should one occur.

### Key Features of the eRisk Hub Portal

- \* Incident Response Plan Roadmap - suggested steps to take following a data breach
- \* Online Training Modules - ready-to-use training on privacy Best Practices and Red Flag Rules
- \* Risk Management Tools - assist you in managing our cyber risk, including state notification laws
- \* News Center - cyber risk and security news stories, helpful industry links, security blogs
- \* Learning Center - Best Practices stories and webinars from leading cyber security experts
- \* eRisk Resources - a directory to quickly find external resources on pre- and post-breach disciplines

### Register for eRisk Hub Now

To access the eRisk Hub portal, all you need to do is register and set up your unique User ID and Password. Just follow these steps:

- \* Go to [www.stateauto.com](http://www.stateauto.com) and click on Insurance at the top of the page. Next, select Business in the left menu box. Use the link on the right of the page titled **Data Compromise Plus**. From this page, click on the link **eRisk Hub** in the center of the page.
- \* Complete the information in the center of the page, including your name and company. Please note that your User ID and Password are case-sensitive.
- \* Enter your assigned **access code: 12116-4**.
- \* Enter the challenge word on the screen and click "Submit".
- \* You will get a "Registration Complete" message on the next screen. You can now login to the portal.



## POLICYHOLDER DISCLOSURE - LEAD EXCLUSION

This notice provides a brief synopsis of conditions of this coverage that are restrictive in nature. Please contact your agent if you need to maintain any protection that is described as either reduced or deleted.

**This notice does not alter or amend the policy. You should read your policy and review your declaration page for complete information on the coverage you are provided. If there are any inconsistencies between the policy and this document, the policy language takes precedence. The policy is the sole source of the terms and conditions applicable to this coverage.**

This policy excludes coverage for injury or damage resulting from the exposure to lead or products containing lead. This includes but is not limited to any request, demand or order to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of lead or lead compounds.

**No coverage is provided by this summary nor can it be construed to replace any provision of your policy. This notice is not a contract. It provides only a general overview of exclusionary language. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.**

**Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to alter coverage, please contact your independent State Auto agent.**

PN 02 33 07 07 Page 1 of 1

\*\*\*PN 02 33 07 07



## **POLICYHOLDER DISCLOSURE - ASBESTOS EXCLUSION**

This notice provides a brief synopsis of conditions of this coverage that are restrictive in nature. Please contact your agent if you need to maintain any protection that is described as either reduced or deleted.

**This notice does not alter or amend the policy. You should read your policy and review your declaration page for complete information on the coverage you are provided. If there are any inconsistencies between the policy and this document, the policy language takes precedence. The policy is the sole source of the terms and conditions applicable to this coverage.**

This policy excludes coverage for injury or damage resulting from the exposure to asbestos or products containing asbestos. This includes but is not limited to the installation of asbestos products, the removal of any asbestos products, manufacture, transportation, storage or disposal of asbestos or asbestos containing products.

**No coverage is provided by this summary nor can it be construed to replace any provision of your policy. This notice is not a contract. It provides only a general overview of exclusionary language. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.**

**Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to alter coverage, please contact your independent State Auto agent.**

**PN 02 34 07 07 Page 1 of 1**

\*\*\*PN 02 34 07 07



## **POLICYHOLDER DISCLOSURE - LIMITED COVERAGE FOR TERRORISM**

This notice provides a brief synopsis of conditions of this coverage that are restrictive in nature. Please contact your agent if you need to maintain any protection that is described as either reduced or deleted.

**This notice does not alter or amend the policy. You should read your policy and review your declaration page for complete information on the coverage you are provided. If there are any inconsistencies between the policy and this document, the policy language takes precedence. The policy is the sole source of the terms and conditions applicable to this coverage.**

This policy excludes coverage for injury or damage from nuclear, biological or chemical terrorism that is not considered a "certified act of terrorism" as defined in the federal Terrorism Risk Insurance Act of 2002.

This policy provides limited coverage for "certified acts of terrorism". The most we will pay for all damages from a "certified act of terrorism" is the amount required of us under the terms of the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 defines a "certified act of terrorism" as 1) an act which results in aggregate losses in excess of \$5 million; and 2) the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**No coverage is provided by this summary nor can it be construed to replace any provision of your policy. This notice is not a contract. It provides only a general overview of exclusionary language. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.**

**Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to alter coverage, please contact your independent State Auto agent.**

**PN0237 (07/07) Page 1 of 1**

\*///PN0237-200707



# SPECIAL ACCOUNT POLICY

**State Auto Property and Casualty Insurance Co.**  
**4601 Westown Parkway,STE 300**  
**West Des Moines, IA 50266**

HOME OFFICE 518 EAST BROAD STREET COLUMBUS OHIO 43215-3976  
TELEPHONE 614-464-5000

**SI1008 (01/16) Page 1 of 2**

\*//SI1008-201601



**CONDITIONS APPLICABLE TO STATE AUTOMOBILE MUTUAL INSURANCE COMPANY****DIVIDENDS**

You are entitled to the proportionate part of any policyholder's dividend if declared by our Board of Directors in accordance with its By-Laws.

**NOTICE OF POLICYHOLDERS MEETINGS**

While your policy is in force, you are one of our members and are entitled, in person or by proxy, to one vote at all meetings of the members. The annual meeting of the members is held at 9 o'clock A.M., Columbus time, on the first Friday of March of each year at our Home Office at 518 East Broad Street, Columbus, Ohio.

**NON-ASSESSABLE**

This policy is non-assessable and the insured shall not be liable for the payment of any assessment nor for the payment of any premium other than that stated in this policy.

IN WITNESS WHEREOF, we have caused this policy to be signed by our Secretary and President at Columbus, Ohio, and countersigned on the Declarations page by an authorized agent of the State Auto Insurance Companies.

**Secretary****President**

A handwritten signature in cursive script, appearing to read 'Melissa A. Centers'.

A handwritten signature in cursive script, appearing to read 'Michael E. LaRocco'.

**Melissa A. Centers****Michael E. LaRocco**



**SPP 2505525 00**

## SPECIAL ACCOUNT POLICY COMMON DECLARATIONS

NAMED INSURED AND MAILING ADDRESS: First Named Insured Is Specified To Be: <b>THOMPSON THRIFT HOLDING          COMPANY LLC;          901 WABASH AVE STE 300          TERRE HAUTE, IN 47807</b>		AGENT NAME AND ADDRESS: <b>ONI RISK PARTNERS INC          PO BOX 80159          INDIANAPOLIS, IN 46280</b>	
POLICY PERIOD: <b>From: 12/01/2020 To: 12/01/2021</b>		AGENT TELEPHONE NUMBER: <b>(812) 478-6000</b>	AGT. NO. <b>0054162</b>
COVERAGE PROVIDED BY: <b>State Auto Property and Casualty Insurance Co.</b>		A STATE AUTO INSURED SINCE: <b>2019</b>	
AUDITABLE POLICY: <b>No</b>	POLICY STATUS: <b>Renewal</b>	AFTER-HOURS CLAIMS SERVICE: <b>1-877-SA-CLAIM or www.stateauto.com</b>	

The coverage and these declarations are effective 12:01 AM Standard Time on **12/01/2020** at the above mailing address.

BUSINESS ENTITY TYPE: <b>Ltd Liability Co</b>	BILLING ACCOUNT NUMBER: <b>AC00054162</b>	BILLING QUESTIONS? <b>(812) 478-6000</b>
BUSINESS DESCRIPTION: <b>Apartments</b>		

Upon valid payment of premium when due, these renewal declarations continue your policy for the period indicated. In return for the payment of the premium and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

## PREMIUM SUMMARY BY COVERAGE PARTS AND POLICIES

This policy consists of the following coverage parts or policies for which a premium is indicated. This premium may be subject to adjustment.

COVERAGE PARTS	PREMIUMS
Commercial General Liability Coverage Part	\$81,180.00
SELF-CONTAINED POLICIES	
Commercial Umbrella Policy	\$42,900.00
Terrorism (included in total below)	\$652.00
POLICY TOTAL AT INCEPTION	\$124,080.00

These declarations together with the Common Policy Conditions and coverage form(s) and any endorsement(s) identified on these declarations and attached to your policy complete the above numbered policy.

Countersigned \_\_\_\_\_ By \_\_\_\_\_  
(Date) (Authorized Representative)



SPP 2505525 00

## FORMS AND ENDORSEMENTS

### APPLICABLE TO ALL COVERAGE PARTS

NEW	FORM OR ENDORSEMENT AND EDITION DATE	ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
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*	SI 00 17 11 98	Common Policy Conditions
*	SI 10 08 01 16	Common Policy Jacket
*	SI 11 00 01 04	Installment Payments
*	IL 00 03 09 08	Calculation of Premium
*	PN 00 83 01 15	Notice of Terrorism Insurance Coverage
*	IL 01 17 12 10	Indiana Changes - Workers Compensation Exclusion
*	IL 02 72 09 07	Indiana Changes - Cancellation and Nonrenewal
*	PN 01 05 01 15	Notice of Terrorism Insurance Coverage
*	IL 02 74 02 13	Missouri Changes - Cancellation and Nonrenewal
*	IL 02 58 12 14	ARIZONA CHANGES - CANCELLATION AND NONRENEWAL

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

## NAMED INSURED AND MAILING ADDRESS

In addition to the First Named Insured shown on page 001  
of this Declarations, the following are also named insureds:

Business Entity Type

WATERMARK RETREAT ATSIENNA PLANTATION, LLC; WATERMARK AT TIMBERGATE CORPUS CHRISTI, LLC;	Ltd Liability Co
WATERMARK AT MISHAWAKS IN LLC; WATERMARK VILLAS AT WHITESTOWN, LLC;	Ltd Liability Co
WATERMARK AT CHESTERFIELD VILLAGE, MO LLC; WATERMARK AT GILBERT AZ, LLC;	Ltd Liability Co
WATERMARK AT SPRING TX, LLC	Ltd Liability Co

**SPP 2505525 00****COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS****COMMERCIAL GENERAL LIABILITY COVERAGE LIMITS OF INSURANCE:**

Each Occurrence Limit	<b>\$1,000,000</b>	
Damage To Premises Rented To You Limit	<b>\$100,000</b>	Any One Premises
Medical Expense Limit	<b>\$5,000</b>	Any One Person
Personal And Advertising Injury Limit	<b>\$1,000,000</b>	Any One Person or Organization
General Aggregate Limit	<b>\$2,000,000</b>	
Products - Completed Operations Aggregate Limit	<b>\$2,000,000</b>	



SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

### SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy

PREMISES 0001

#### Location Address

8811 Sienna Springs Drive  
Missouri City, TX 77459

#### Territory

003

CLASS CODE	CLASSIFICATION DESCRIPTION
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48925 Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	1 Swimming Pools
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$373.669	
ADVANCE PREMIUMS		\$374	

CLASS CODE	CLASSIFICATION DESCRIPTION
------------	----------------------------

60010 Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	312 Units
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$30.000	
ADVANCE PREMIUMS		\$9,360	



SPP 2505525 00

**COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS**

SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy	PREMISES 0001	Continued
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CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	5,543 Square Feet

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$30.899	
<b>ADVANCE PREMIUMS</b>		\$171	

SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy	PREMISES 0002
---	---------------

Location AddressTerritory

5721 Timbergate Drive  
Corpus Christi, TX 78414

003

CLASS CODE	CLASSIFICATION DESCRIPTION
48925	Swimming Pools Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	1 Swimming Pools

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$373.669	
<b>ADVANCE PREMIUMS</b>		\$374	



SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0002**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
60010	Apartment Buildings Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	324 Units

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$30.000	
<b>ADVANCE PREMIUMS</b>		\$9,720	

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	8,616 Square Feet

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$30.899	
<b>ADVANCE PREMIUMS</b>		\$266	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0003**

<u>Location Address</u>	<u>Territory</u>
1455 Grinell Street Granger, IN 46530	506



SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy      PREMISES 0003      Continued

CLASS CODE	CLASSIFICATION DESCRIPTION
48925	Swimming Pools Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	1 Swimming Pools

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$406.481	
<b>ADVANCE PREMIUMS</b>		\$406	

CLASS CODE	CLASSIFICATION DESCRIPTION
60010	Apartment Buildings Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	290 Units

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$30.000	
<b>ADVANCE PREMIUMS</b>		\$8,700	

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	5,541 Square Feet

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$46.625	
<b>ADVANCE PREMIUMS</b>		\$258	





SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

### SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy

PREMISES 0004

#### Location Address

7145 Anderson Drive  
Zionsville, IN 46077

#### Territory

506

CLASS CODE	CLASSIFICATION DESCRIPTION
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48925 Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	1 Swimming Pools
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$406.481	
ADVANCE PREMIUMS		\$406	

CLASS CODE	CLASSIFICATION DESCRIPTION
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60010 Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	266 Units
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$30.000	
ADVANCE PREMIUMS		\$7,980	



SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0004**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	5,604 Square Feet

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$46.625	
<b>ADVANCE PREMIUMS</b>		\$261	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0013**

<u>Location Address</u>	<u>Territory</u>
16346 Lydia Hill Dr Chesterfield, MO 63017	502

CLASS CODE	CLASSIFICATION DESCRIPTION
48925	Swimming Pools Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	1 Swimming Pools

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$700.364	
<b>ADVANCE PREMIUMS</b>		\$700	



SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0013**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
60010	Apartment Buildings Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	345 Units

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$30.000	
<b>ADVANCE PREMIUMS</b>		\$10,350	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0015**

<u>Location Address</u>	<u>Territory</u>
4500 E Ray Road Gilbert, AZ 85296	504

CLASS CODE	CLASSIFICATION DESCRIPTION
48925	Swimming Pools Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	1 Swimming Pools

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$570.608	
<b>ADVANCE PREMIUMS</b>		\$571	



SPP 2505525 00

**COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS**

SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy	PREMISES 0015	Continued
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CLASS CODE	CLASSIFICATION DESCRIPTION
60010	Apartment Buildings Product-Completed Operations Are Included, Subject To The General Aggregate Limit
PREMIUM BASIS	250 Units

	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$30.000	
ADVANCE PREMIUMS		\$7,500	

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
PREMIUM BASIS	4,705 Square Feet

	Per	Premises/Operations	Products/Completed Operations
RATE	1000	\$28.416	
ADVANCE PREMIUMS		\$134	

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Additional Insured - Managers Or Lessors Of Premises (See CG 2011 Attached)
PREMIUM BASIS	4,705 Square Feet

	Per	Premises/Operations	Products/Completed Operations
RATE	1000	\$2.842	
ADVANCE PREMIUMS		\$13	

**SPP 2505525 00****COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS****SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy****PREMISES 0016****Location Address**11549 Yard St  
Fishers, IN 46037**Territory**

506

<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>
46607	Parking-Public-Shopping Centers-Maintained By The Insured (Lessors Risk Only) Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	163,000 Square Feet

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1000	\$19.758	
<b>ADVANCE PREMIUMS</b>		\$3,221	

<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>
60010	Apartment Buildings Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	260 Units

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1	\$30.000	
<b>ADVANCE PREMIUMS</b>		\$7,800	



SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

### SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy

PREMISES 0017

#### Location Address

7203 Nw Grand Pkwy  
Spring, TX 77379

#### Territory

003

CLASS CODE	CLASSIFICATION DESCRIPTION
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48925 Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	1 Swimming Pools
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$373.669	
ADVANCE PREMIUMS		\$374	

CLASS CODE	CLASSIFICATION DESCRIPTION
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60010 Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	336 Units
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$30.000	
ADVANCE PREMIUMS		\$10,080	



SPP 2505525 00

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy      PREMISES 0017      Continued

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	6,766 Square Feet

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$30.899	
<b>ADVANCE PREMIUMS</b>		\$209	

**LOCATION RATING CODE** 9999      **TERRITORY** 003

CLASS CODE	CLASSIFICATION DESCRIPTION
24123	Hired And Non Owned Auto Liability

<b>PREMIUM BASIS</b>	25 *****
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	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$179.000	
<b>ADVANCE PREMIUMS</b>		\$179	

**SPP 2505525 00****COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS****SCHEDULE OF PREMISES****Continued****LOCATION RATING CODE** 9999**TERRITORY** 003**CLASS CODE** **CLASSIFICATION DESCRIPTION**

49950 Notice Of Cancellation - Scheduled Party SI 10 20

**PREMIUM BASIS**

3 Addl Interest

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	<b>1</b>	<b>\$35.000</b>	
<b>ADVANCE PREMIUMS</b>		<b>\$105</b>	

**LOCATION RATING CODE** 9999**TERRITORY** 003**CLASS CODE** **CLASSIFICATION DESCRIPTION**

84000 Liability Plus Endorsement (See SL 1206 Attached)

**PREMIUM BASIS** % Of GL Premium**PREMIUM****\$194****CLASS CODE** **CLASSIFICATION DESCRIPTION**

25122 Data Compromise Plus Coverage \$100,000

<b>PREMIUM BASIS</b>	<b>PER</b>	<b>RATE</b>	<b>ADVANCE PREMIUM</b>
1 Units	1	\$439.024	\$439



**SPP 2505525 00****COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS****SCHEDULE OF PREMISES****Continued**

<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>
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26003	Comp Atck/Cyber Liab Lmts \$100,000/\$100,000(Incrd Extortion)
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PREMIUM BASIS	PER	RATE	ADVANCE PREMIUM
1 Units	1	\$383.000	\$383

**PREMIUM**

Terrorism (included in total below)	\$652
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Total Advance Premium (Subject To Audit):	\$81,180
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**FORMS AND ENDORSEMENTS**  
**APPLICABLE TO THE COMMERCIAL GENERAL LIABILITY COVERAGE PART**

<b>NEW</b>	<b>FORM OR ENDORSEMENT AND EDITION DATE</b>	<b>ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)</b>
*	IL 00 21 09 08	Nuclear Energy Exclusion
*	CG 00 01 04 13	Commercial General Liability Coverage Form
*	SL 20 02 01 06	Asbestos Exclusion
*	SL 20 04 01 06	Exclusion - Lead Liability
*	CG 24 26 04 13	Amendment of Insured Contract Definition
*	SL 20 51 12 11	Amendment of Contractual Liability Exclusion
*	CG 21 06 05 14	Exclusion - Access or Disclosure of Confidential or Personal Information And Data-related Liability - With Limited Bodily Injury Exception Endorsement
*	IL 00 17 11 98	Common Policy Conditions
*	CG 21 70 01 15	Cap on Losses From Certified Acts of Terrorism
*	PN 00 83 01 15	Notice of Terrorism Insurance Coverage
*	CG 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
*	IL 09 99 01 15	Disclosure Pursuant to Terrorism Risk Insurance Act
*	CG 21 88 01 15	Conditional Exclusion of Terrorism
*	IL 02 75 11 13	Texas Changes - Cancellation and Nonrenewal Provisions
*	CG 01 03 06 06	Texas Changes
*	IL 01 68 03 12	Texas Changes - Duties
*	CG 21 67 12 04	Fungi or Bacteria Exclusion
*	CG 26 39 04 99	Texas Changes - Employment - Related Practices Exclusion
*	CG 25 04 05 09	Designated Location(s) General Aggregate Limit
*	CG 21 44 07 98	Limitation of Coverage To Designated Premises/Projects
*	CG 21 47 12 07	Employment - Related Practices Exclusion
*	CG 21 70 01 08	Cap on Losses From Certified Acts of Terrorism
*	CG 21 76 01 08	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
*	CG 21 87 01 07	Conditional Exclusion of Terrorism
*	IL 01 58 09 08	Indiana Changes
*	SL 20 41 03 18	Indiana Changes - Pollution Exclusion (CGL)
*	SL 20 52 06 12	Missouri Changes - Pollution Exclusion (CGL)
*	IL 00 34 01 15	Missouri - Disclosure Pursuant to Terrorism Risk Insurance Act
*	CG 26 25 04 05	Missouri Changes - Guaranty Association
*	CG 26 43 12 04	Missouri Changes - Binding Arbitration
*	CG 21 15 04 17	Missouri - Limitation Of Coverage To Designated Premises, Project Or Operation

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

**SPP 2505525 00****FORMS AND ENDORSEMENTS****APPLICABLE TO THE COMMERCIAL GENERAL LIABILITY COVERAGE PART**

<b>NEW</b>	<b>FORM OR ENDORSEMENT AND EDITION DATE</b>	<b>ENDORSEMENT TITLE</b> (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
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*	SL 11 05 04 10	Hired Auto and Non-Owned Auto Liability
*	SI 10 20 06 10	Notice of Cancellation Scheduled Party
*	SL 12 06 12 15	Texas - Liability Plus Endorsement
*	SL 31 03 05 16	Data Compromise Plus Endorsement
*	CY 50 00 06 16	CyberSecure Coverage Declarations
*	CY 01 42 06 16	Texas Changes
*	CY 00 01 06 16	CyberSecure Coverage Form
*	CG 20 18 04 13	Additional Insured - Mortgagee, Assignee, or Receiver
*	CG 20 11 04 13	Additional Insured - Managers or Lessors of Premises

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

**ADDITIONAL INTERESTS/INSURED**  
**COMMERCIAL GENERAL LIABILITY**

<b>OTHER INTERESTS</b>	<b>TYPE</b>	<b>LOC/BLDG</b>
WILMINGTON TRUST, NATL ASSOC AS TRUSTEE FOR CITIGROUP PO BPX 25965 SHAWNEE MISSION, KS 66225	Notice of Cancellation - Scheduled Party	
FREDDIE MAC ISAOA C/O GREYSTONE SERVICING CO LLC 419 BELLE AIR LANE WARRENTOWN, VA 20816	Notice of Cancellation - Scheduled Party	
FANNIE MAE ISAOA/ATIMA 11501 OUTLOOK ST, STE 300 MAIL STOP KS 01-11 SHAWNEE MISSION, KS 66211	Notice of Cancellation - Scheduled Party	
COMPASS BANK, ISAOA, ATIMA 8333 DOUGLAS AVE, STE 505 DALLAS, TX 75225	Mortgagee, Assignee, Receiver - Liability	0001 / 001
GREP SOUTH LP 750 BERING DR, SUITE 300 HOUSTON, TX 77057	Mortgagee, Assignee, Receiver - Liability	0002 / 001
FIRST MERCHANTS BANK PO BOX 5221 NORWELL, MA 02061	Mortgagee, Assignee, Receiver - Liability	0003 / 001
FANNIE MAE, ISAOA, ATIMA 11501 OUTLOOK ST, STE 300 MAIL STOP 5S 01-11-0501 SHAWNEE MISSION, KS 66211	Mortgagee, Assignee, Receiver - Liability	0004 / 001
MERCHANTS BANK OF INDIANA ITS SUCCESSORS AND/OR ASSIGNS 11555 NORTH MERIDIAN STE 400 CARMEL, IN 46032	Mortgagee, Assignee, Receiver - Liability	0005 / 001



**ADDITIONAL INTERESTS/INSURED  
COMMERCIAL GENERAL LIABILITY**

<b>OTHER INTERESTS</b>	<b>TYPE</b>	<b>LOC/BLDG</b>
ASSISTANT SECRETARY FOR C/O MERCHANTS CAPITAL CORP 410 MONON BLVD CARMEL, IN (SEE AML1) 46032	Mortgagee, Assignee, Receiver - Liability	0005 / 001
FREDDIE MAC ISAOA C/O GREYSTONE SERVICING CO LLC 419 BELLE AIR LANE WARRENTON, VA 20186	Mortgagee, Assignee, Receiver - Liability	0007 / 001
BANK OF AMERICA, NA-CREB INS MAIL CODE F19-400-432 PO BOX 40329 JACKSONVILLE, FL 32203	Mortgagee, Assignee, Receiver - Liability	0014 / 001
FLAGSTAR BANK FSB ISAOA MAIL STOP E-203-3 5151 CORPORATE DRIVE TROY, MI 48098	Managers or Lessors of Premises	0015 / 001



SPP 2505525 00

## COMMERCIAL UMBRELLA POLICY DECLARATIONS

NAMED INSURED AND MAILING ADDRESS: First Named Insured Is Specified To Be: <b>THOMPSON THRIFT HOLDING COMPANY LLC;</b> <b>901 WABASH AVE STE 300</b> <b>TERRE HAUTE, IN 47807</b>		AGENT NAME AND ADDRESS: <b>ONI RISK PARTNERS INC</b> <b>PO BOX 80159</b> <b>INDIANAPOLIS, IN 46280</b>	
POLICY PERIOD: <b>From: 12/01/2020 To: 12/01/2021</b>		AGENT TELEPHONE NUMBER: <b>(812) 478-6000</b>	AGT. NO. <b>0054162</b>
COVERAGE PROVIDED BY: <b>State Auto Property and Casualty Insurance Co.</b>		A STATE AUTO INSURED SINCE: <b>2019</b>	
AUDITABLE POLICY: <b>No</b>	POLICY STATUS: <b>Renewal</b>	AFTER-HOURS CLAIMS SERVICE: <b>1-877-SA-CLAIM or www.stateauto.com</b>	

The coverage and these declarations are effective 12:01 AM Standard Time on **12/01/2020** at the above mailing address.

BUSINESS ENTITY TYPE: <b>Ltd Liability Co</b>	BILLING ACCOUNT NUMBER: <b>AC00054162</b>	BILLING QUESTIONS? <b>(812) 478-6000</b>
BUSINESS DESCRIPTION: <b>Apartments</b>		

Upon valid payment of premium when due, these renewal declarations continue your policy for the period indicated. In return for the payment of the premium and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

### PREMIUM SUMMARY BY COVERAGE PARTS AND POLICIES

This policy consists of the following coverage parts or policies for which a premium is indicated. This premium may be subject to adjustment.

SELF-CONTAINED POLICIES	PREMIUMS
Commercial Umbrella Policy	<b>\$42,900.00</b>
Terrorism (included in above amount)	<b>Included</b>

These declarations together with the Common Policy Conditions and coverage form(s) and any endorsement(s) identified on these declarations and attached to your policy complete the above numbered policy.

Countersigned \_\_\_\_\_ By \_\_\_\_\_  
 (Date) (Authorized Representative)



SPP 2505525 00

## FORMS AND ENDORSEMENTS

### APPLICABLE TO ALL COMMERCIAL UMBRELLA POLICY

NEW	FORM OR ENDORSEMENT AND EDITION DATE	ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
*	CXS 00 01 12 15	Commercial Umbrella Coverage Form
*	SI 10 08 01 16	Common Policy Jacket
*	CXS 00 42 11 13	Texas Changes
*	CXS 23 00 05 14	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-related Liab - Lmt'd Bodily Except Not Incl
*	CXS 21 70 01 15	Cap on Losses From Certified Acts of Terrorism
*	CXS 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
*	PN 00 83 01 15	Notice of Terrorism Insurance Coverage
*	IL 09 99 01 15	Disclosure Pursuant to Terrorism Risk Insurance Act
*	CXS 21 88 01 15	Conditional Exclusion of Terrorism
*	CXS 21 67 12 04	Fungi or Bacteria Exclusion
*	CXS 40 30 01 07	Texas Exclusion - Owned Auto
*	CXS 21 44 07 98	Limitation of Coverage To Designated Premises or Project
*	CXS 40 05 07 98	Exclusion - Employers Liability

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

## COMMERCIAL UMBRELLA COVERAGE DECLARATIONS

### LIMIT OF INSURANCE:

Policy Aggregate Limit	\$15,000,000	
Self-Insured Retention	\$0	Each Incident or Offense not Covered by Underlying Insurance

### PREMIUM

\* Total Advance Premium (Subject To Audit): \$42,900

Includes Terrorism Coverage Premium

### SCHEDULE OF UNDERLYING INSURANCE

#### Employers Liability

Excluded

#### Auto Liability

Underlying Insurer: State Automobile Mutual Insurance Company

Policy Number: SPP 2505525 00

Policy Period: From: 12/01/2020 To: 12/01/2021

Limits of Liability

Each Accident	\$1,000,000
---------------	-------------

#### General Liability

Underlying Insurer: State Auto Property and Casualty Insurance Co.

Policy Number: SPP 2505525 00

Policy Period: From: 12/31/2020 To: 12/31/2021

Limits of Liability

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000





# COMMERCIAL UMBRELLA COVERAGE DECLARATIONS

**SCHEDULE OF UNDERLYING INSURANCE**

Continued

**General Liability**

Underlying Insurer: State Automobile Mutual Insurance Company

Policy Number: SPP 2505439 00

Policy Period: From: 10/08/2020 To: 10/08/2021

Limits of Liability

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000

**General Liability**

Underlying Insurer: State Auto Property and Casualty Insurance Co.

Policy Number: SPP 2505527 00

Policy Period: From: 12/01/2020 To: 12/01/2021

Limits of Liability

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000



## COMMON POLICY CONDITIONS

With the exception of any included Commercial Umbrella, Inland Marine or Automobile Policy or coverage parts, which contain their own Common Policy Conditions, all coverage parts included in your Preferred Business Policy, Special Account Policy, or Series One Contractor Policy are subject to the following common conditions. Subject to the laws of your state, some conditions may be changed by the attachment of a state amendatory endorsement.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**SPP 2505525 00**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INSTALLMENT PAYMENTS**

This endorsement modifies insurance provided under the following:

### **COMMON POLICY CONDITIONS**

The policy is subject to the following condition:

If you have elected to pay the premium on this policy in installments and you fail to pay an installment when due, we will assume you no longer want the insurance. In such event we will issue you a notice of cancellation as set forth under the Common Policy Conditions. Such notice will specify the date and time of cancellation. If we receive an installment payment after the date of cancellation, we may, subject to the laws of your state, reinstate your policy, issue you a new policy with a new policy period or return the late payment to you.

**SI 11 00 01 04 Page 1 of 1**

\*//\*SI 11 00 01 04



SPP 2505525 00

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NOTICE OF CANCELLATION SCHEDULED PARTY

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE POLICY  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM  
 EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE FORM  
 LIQUOR LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART

### SCHEDULE

<b>1.</b>	<b>Name:</b> WILMINGTON TRUST, NATL ASSOC
<b>2.</b>	<b>Address:</b> AS TRUSTEE FOR CITIGROUP PO BPX 25965 SHAWNEE MISSION, KS 66225
<b>3.</b>	<b>Optional Notification:</b> 30 _____ days
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A.** We will mail the designated person or organization in the Schedule above at least 30 days' advance notice or the number of days' advance notice shown in the Schedule above if we cancel or nonrenew this policy for any reason other than nonpayment of premium, subject to statutorily permitted reasons.
- B.** We will mail the designated person or organization in the Schedule above at least 10 days' advance notice if we cancel this policy for nonpayment of premium; or
- C.** The person or organization shown in the Schedule above will be mailed confirmation if you cancel this policy for any reason.

In no event will the action or timing of the named insured's election to cancel or modify the terms of this policy serve to extend the policy beyond the expiration date shown in the Declarations.

Failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives.



SPP 2505525 00

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NOTICE OF CANCELLATION SCHEDULED PARTY

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE POLICY  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM  
 EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE FORM  
 LIQUOR LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART

### SCHEDULE

<b>1.</b>	<b>Name:</b> FREDDIE MAC ISAOA
<b>2.</b>	<b>Address:</b> C/O GREYSTONE SERVICING CO LLC 419 BELLE AIR LANE WARRENTOWN, VA 20816
<b>3.</b>	<b>Optional Notification:</b> 30 _____ days
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A.** We will mail the designated person or organization in the Schedule above at least 30 days' advance notice or the number of days' advance notice shown in the Schedule above if we cancel or nonrenew this policy for any reason other than nonpayment of premium, subject to statutorily permitted reasons.
- B.** We will mail the designated person or organization in the Schedule above at least 10 days' advance notice if we cancel this policy for nonpayment of premium; or
- C.** The person or organization shown in the Schedule above will be mailed confirmation if you cancel this policy for any reason.

In no event will the action or timing of the named insured's election to cancel or modify the terms of this policy serve to extend the policy beyond the expiration date shown in the Declarations.

Failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives.



SPP 2505525 00

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NOTICE OF CANCELLATION SCHEDULED PARTY

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE POLICY  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM  
 EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE FORM  
 LIQUOR LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART

### SCHEDULE

<b>1.</b>	<b>Name:</b> FANNIE MAE ISAOA/ATIMA
<b>2.</b>	<b>Address:</b> 11501 OUTLOOK ST, STE 300 MAIL STOP KS 01-11 SHAWNEE MISSION, KS 66211
<b>3.</b>	<b>Optional Notification:</b> 30 _____ days
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A.** We will mail the designated person or organization in the Schedule above at least 30 days' advance notice or the number of days' advance notice shown in the Schedule above if we cancel or nonrenew this policy for any reason other than nonpayment of premium, subject to statutorily permitted reasons.
- B.** We will mail the designated person or organization in the Schedule above at least 10 days' advance notice if we cancel this policy for nonpayment of premium; or
- C.** The person or organization shown in the Schedule above will be mailed confirmation if you cancel this policy for any reason.

In no event will the action or timing of the named insured's election to cancel or modify the terms of this policy serve to extend the policy beyond the expiration date shown in the Declarations.

Failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives.





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - ASBESTOS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
BUSINESSOWNERS LIABILITY COVERAGE FORM

This insurance does not apply to:

- A.** "Bodily injury," "property damage" or "personal and advertising injury" as defined in the policy arising out of:
  - 1. Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;
  - 2. The use of asbestos in constructing or manufacturing any goods, product, or structure;
  - 3. The removal of asbestos from any goods, product or structure;
  - 4. The manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos;
- B.** Any damages or any loss, cost or expense arising out of any claim or suit by or on behalf of any governmental authority requirement that any insured or any other person or entity should be, or should be responsible for:
  - 1. Assessing the presence, absence or amount or effects of asbestos;
  - 2. Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, abating, disposing of or mitigating asbestos; or
- C.** Responding to asbestos in any way other than as described in subparagraphs **A.** and **B.** above.
- D.** Any actual or alleged negligence in hiring, training, supervision, instructions, recommendations, warnings or advice given or which should have been given to employees, consumers, or others in connection with **A.** and **B.** above; or
- E.** Any obligation to share damages with or repay someone else who must pay damages in connection with any of the subsections above.

**SL2002 (01/06) Page 1 of 1**

\*//SL2002-200601

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - LEAD LIABILITY**

The following exclusions are added to all coverages contained within.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
BUSINESSOWNERS LIABILITY COVERAGE FORM

This insurance does not apply to:

1. Actual or alleged "bodily injury," arising out of the ingestion, inhalation or absorption of lead or lead compounds in any form.
2. Actual or alleged "property damage" or "personal and advertising injury" arising out of any form of lead or lead compounds.
3. Any loss, cost or expense arising out of any:
  - a. Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead or lead compounds;
  - b. Claim or "suit" by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of lead or lead compounds in any form;
  - c. Any actual or alleged negligence in hiring, training, supervision, instructions, recommendations, warnings or advice given or which should have been given to employees, consumers, or others in connection with lead or lead compounds; or
  - d. Any obligation to share damages with or repay someone else who must pay damages in connection with lead or lead compounds.

**SL2004 (01/06) Page 1 of 1**

\*//SL2004-200601

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## INDIANA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

### 2. Cancellation Of Policies In Effect

#### a. 90 Days Or Less

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2) 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us; or
- (3) 30 days before the effective date of cancellation if we cancel for any other reason.

#### b. More Than 90 Days

If this policy has been in effect for more than 90 days, or is a renewal of a policy we issued, we may cancel this policy, only for one or more of the reasons listed below, by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- (2) 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us; or

(3) 45 days before the effective date of cancellation if:

- (a) There has been a substantial change in the scale of risk covered by this policy;
- (b) Reinsurance of the risk associated with this policy has been cancelled; or
- (c) You have failed to comply with reasonable safety recommendations.

B. The following is added to the Common Policy Conditions and supersedes any provision to the contrary.

### NONRENEWAL

1. If we elect not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal at least 45 days before:
  - a. The expiration date of this policy, if the policy is written for a term of one year or less; or
  - b. The anniversary date of this policy, if the policy is written for a term of more than one year.
2. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.



SPP 2505525 00

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE OF PREMIUM AND ESTIMATED PREMIUM  
FOR CERTIFIED ACTS OF TERRORISM COVERAGE  
(PURSUANT TO TERRORISM RISK INSURANCE ACT)

SCHEDULE

**SCHEDULE - PART I**

**Terrorism Premium (Certified Acts)**

(A) Premium through end of year (12/31/ ) \$

(B) Estimated Premium beyond the date specified above \$ Included in (A) above

(Refer to Paragraph D. in this endorsement.)

**This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):**

All Coverage Parts shown on the declarations for which a Terrorism Premium is shown.

**Additional information, if any, concerning the terrorism premium:**

The premium shown in (A) above includes the:

- Premium from the Effective Date through 12/31/2020; and
- 1/1/2021 through the Expiration Date.

**SCHEDULE - PART II**

**Federal share of terrorism losses** \_81\_ % Year: 20 \_19\_

(Refer to Paragraph B. in this endorsement.)

**Federal share of terrorism losses** \_80\_ % Year: 20 \_20\_

(Refer to Paragraph B. in this endorsement.)

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under that Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**D. Possibility Of Additional Or Return Premium**

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act. The federal program established by the Act is scheduled to terminate at the end of the year specified in Part I of the Schedule of this endorsement, unless extended by the federal government. If the federal program terminates or if the level or terms of federal participation change, the estimated premium shown in (B) in Part I of the Schedule may not be appropriate.

If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium shown in (B) in Part I of the Schedule and will charge additional premium or refund excess premium, if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **INDIANA CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL PROPERTY - LEGAL LIABILITY COVERAGE FORM  
 COMMERCIAL PROPERTY - MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM\*  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 FARM LIABILITY COVERAGE FORM  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

\*Under the **Mortgageholders Errors And Omissions Coverage Form**, the following condition applies only to Coverage **C** and Coverage **D**.

The following condition is added:

Notice given by or on behalf of the insured to any of our authorized agents in Indiana, with particulars sufficient to identify the insured, shall be considered to be notice to us.

**IL0158 (09/08) Page 1 of 1**

\*/IL0158-200809

ISO Properties, Inc., 2007

**SPP 2505525 00**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

**Premises:**

**\*AS PER THE LOCATION ADDRESSES SHOWN IN THE SCHEDULE OF PREMISES  
ON THE COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS**

**Project:**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule and operations necessary or incidental to those premises; or
2. The project shown in the Schedule.

**CG 21 44 07 98 Page 1 of 1**

\*//\*CG 21 44 07 98

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DESIGNATED LOCATION(S)  
GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Designated Location(s):**  
EACH OF YOUR "LOCATIONS" OWNED  
BY OR RENTED TO YOU

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** - Coverage **A**, and for all medical expenses caused by accidents under Section **I** - Coverage **C**, which can be attributed only to operations at a single designated "location" shown in the Schedule above:
1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** - Coverage **A**, and for all medical expenses caused by accidents under Section **I** - Coverage **C**, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:
1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Location General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.
- D.** For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:  
"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E.** The provisions of Section **III** - Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.





SPP 2505525 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DATA COMPROMISE PLUS

### RESPONSE EXPENSES DEFENSE AND LIABILITY IDENTITY RECOVERY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Coverage under this endorsement is subject to the following:

#### SCHEDULE

#### SECTION 1 - RESPONSE EXPENSES

Data Compromise Response Expenses Limit:

\$100,000 Annual Aggregate

Sublimits:

Named Malware (Sec. 1)

\$50,000 Any on "Personal Data Compromise"

Forensic IT Review:

\$5,000 Any one "Personal Data Compromise"

Legal Review:

\$5,000 Any one "Personal Data Compromise"

PR Services:

\$5,000 Any one "Personal Data Compromise"

Regulatory Fines And Penalties

\$10,000 Any one "Personal Data Compromise"

PCI Fines And Penalties

\$10,000 Any one "Personal Data Compromise"

Response Expenses Deductible:

\$2,500 Any one "Personal Data Compromise"

#### SECTION 2 - DEFENSE AND LIABILITY

Data Compromise Defense and Liability Limit:

\$100,000 Annual Aggregate

Sublimit:

Named Malware (Sec. 2)

\$50,000 Any one "Personal Data Compromise"

Defense and Liability Deductible:

\$2,500 Each "Data Compromise Suit"

#### SECTION 3 - IDENTITY RECOVERY

Case Management Service:

Service for any one "identity theft" for up to 12 months

Expense Reimbursement Limit:

\$15,000 Annual Aggregate

Expense Reimbursement Deductible:

\$250 Any one "identity recovery insured"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

#### SECTION 1 - RESPONSE EXPENSES

#### DATA COMPROMISE COVERED CAUSE OF LOSS

Coverage under this Data Compromise Plus Coverage endorsement applies only if all of the following conditions are met:

1. There has been a "personal data compromise"; and
2. Such "personal data compromise" is first discovered by you during the policy period for which this Data Compromise Plus Coverage endorsement is applicable; and
3. Such "personal data compromise" is reported to us within 90 days after the date it is first discovered by you.

#### COVERAGE - SECTION 1

If the three conditions listed above in DATA COMPROMISE - COVERED CAUSE OF LOSS have been met, then we will provide coverage for the following expenses when they arise directly from the covered cause of loss and are necessary and reasonable. Coverages 4 and 5 apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under coverage 3.

Please note that service providers must be approved by us as described in Additional Condition 6. - **Service Providers.**

#### 1. Forensic Information Technology Review

Professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".





This does not include costs to analyze, research or determine any of the following:

- a. Vulnerabilities in systems, procedures or physical security;
- b. Compliance with PCI or other industry security standards; or
- c. The nature or extent of loss or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic Information Technology Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

## 2. Legal Review

Professional legal counsel review of the "personal data compromise" and how you should best respond to it.

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

## 3. Notification to "Affected Individuals"

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

## 4. Services to "Affected Individuals"

We will pay your necessary and reasonable costs to provide the following services to "affected individuals".

- a. The following services apply to any "personal data compromise".

### 1) Informational Materials

A packet of loss prevention and customer support information.

### 2) Help Line

A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in **b.1)** and **2)**.

- b. The following additional services apply to "personal data compromise" events involving "personally identifying information".

### 1) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.

### 2) Identity Restoration Case Management

As respects any "affected individual" who is or appears to be a victim of an "identity theft that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

## 5. PR Services

Professional public relations firm review of and response to the potential impact of the "personal data compromise" on your business relationships.

This includes costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with "affected individuals". However, we will not pay for promotions:

- a. Provided to any of your directors or employees; or
- b. Costing more than \$25 per "affected individual".

## 6. Regulatory Fines and Penalties

Any fine or penalty imposed under state law; to the extent such fine or penalty is legally insurable.

## 7. PCI Fines and Penalties

Any Payment Card Industry (PCI) fine or penalty imposed under a contract to which you are a party. PCI Fines and Penalties do not include any increased transaction costs.

For the purpose of the **Section 1** coverage under this endorsement only, the following replaces **SECTION III - LIMITS OF INSURANCE:**

## LIMITS - SECTION 1

1. The most we will pay under Response Expenses coverage is the Data Compromise Response Expenses Limit indicated for this endorsement.



2. The Data Compromise Response Expenses Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under **Section 1** arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.
3. A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" will be subject to the Data Compromise Response Expenses Limit applicable to the policy period when the "personal data compromise" was first discovered by you.
4. The most we will pay under Response Expenses coverage for loss arising from any "malware-related compromise" is the Named Malware (Sec. 1) sublimit indicated for this endorsement. For the purpose of the Named Malware (Sec. 1) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise".
5. The most we will pay under Forensic IT Review, Legal Review, PR Services, Regulatory Fines and Penalties, PCI Fines and Penalties coverages for loss arising from any one "personal data compromise" is the applicable sublimit for each of those coverages indicated for this endorsement. These sublimits are part of, and not in addition to, the Data Compromise Response Expenses Limit. PR Services coverage is also subject to a limit per "affected individual" as described in **5. PR Services**.
6. Coverage for Services to "affected individuals" is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

#### **DEDUCTIBLE - SECTION 1**

Response Expenses coverage is subject to the Response Expenses Deductible indicated for this endorsement. You will be responsible for such deductible amount as respects each "personal data compromise" covered under this endorsement.

- B.** The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

#### **SECTION 2 - DEFENSE AND LIABILITY**

##### **DEFENSE AND LIABILITY COVERED CAUSE OF LOSS**

Coverage under **Section 1** and **Section 2** of this Data Compromise Plus Coverage endorsement applies only if all three of the conditions in DATA COMPROMISE - COVERED CAUSE OF LOSS are met.

Only with regard to **Section 2 - Defense and Liability** coverage, the following conditions must also be met:

1. You have provided notifications and services to "affected individuals" in consultation with us pursuant to Response Expenses coverage; and
2. You receive notice of a "data compromise suit" brought by one or more "affected individuals" or by a governmental entity on behalf of one or more "affected individuals"; and
3. Notice of such "data compromise suit" is received by you within two years of the date that the "affected individuals" are notified of the "personal data compromise"; and
4. Such "data compromise suit" is reported to us as soon as practicable, but in no event more than 90 days after the date it is first received by you.

#### **COVERAGE - SECTION 2**

If all four of the conditions listed above in DEFENSE AND LIABILITY - COVERED CAUSE OF LOSS have been met, then we will provide coverage for "data compromise defense" and "data compromise liability" directly arising from the covered cause of loss.

For the purpose of the **Section 2** coverage under this endorsement only, the following replaces **SECTION**

#### **III - LIMITS OF INSURANCE:**

##### **LIMITS - SECTION 2**

1. The most we will pay under Defense and Liability coverage (other than post-judgment interest) is the Data Compromise Defense and Liability Limit indicated for this endorsement.
2. The Data Compromise Defense and Liability Limit is an annual aggregate limit. This amount is the most we will pay for all loss covered under **Section 2** (other than post-judgment interest) arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.



3. A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" (other than post-judgment interest) will be subject to the Data Compromise Defense and Liability Limit applicable to the policy period when the "personal data compromise" was first discovered by you.
4. The most we will pay under Defense and Liability coverage for loss arising from any "malware-related compromise" is the Named Malware (Sec. 2) sublimit indicated for this endorsement. For the purpose of the Named Malware (Sec. 2) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise". This sublimit is part of, and not in addition to, the Defense and Liability Limit.

**DEDUCTIBLE - SECTION 2**

Defense and Liability coverage is subject to the Defense and Liability Deductible indicated for this endorsement. You will be responsible for such deductible amount as respects each "data compromise suit" covered under this endorsement.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following additional exclusions apply to Paragraph 2. **Exclusions** under **SECTION I - COVERAGES**

**EXCLUSIONS - SECTION 1 AND SECTION 2**

We will not pay for cost arising from the following:

1. Your intentional or willful complicity in a "personal data compromise";
2. Any criminal, fraudulent or dishonest act error or omission, or any intentional or knowing violation of the law by you;
3. Any "personal data compromise" occurring prior to the first inception of this Data Compromise Plus Coverage endorsement or any substantially similar to that described in this endorsement;
4. Cost to research or correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedure or physical security that may have contributed to a "personal data compromise";
5. Any fines or penalties imposed under federal law including, but not limited to, HIPAA fines and penalties;
6. Any criminal investigations or proceedings;
7. Any extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance;
8. Any "personal data compromise" involving data that is being transmitted electronically, unless such data is encrypted to protect the security of the transmission.
9. Your "reckless disregard" for the security of "personally identifying information" or "personally sensitive information" in your care, custody, or control;
10. That part of any "data compromise suit" seeking any non-monetary relief; or
11. "Bodily injury", "property damage" or "personal and advertising injury".
12. Any amount not insurable under applicable law.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, **SUPPLEMENTARY PAYMENTS** under **SECTION I - COVERAGES** do not apply.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, subparagraphs **2.b.** and **3.** of **SECTION II - WHO IS AN INSURED** do not apply.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

**ADDITIONAL CONDITIONS - SECTION 1 AND SECTION 2****1. "Data Compromise Liability" Defense**

- a. We will have the right, and the duty, to assume the defense of any applicable "data compromise suit" against you. You will give us such information and cooperation as we may reasonably require.
- b. You will not admit liability for or settle any "data compromise suit" or incur any defense costs without our prior written consent.
- c. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense (if we have assumed your defense) by tendering control of the defense to you. From that point forward, you will, at your own expense, negotiate or defend such "data compromise suit" independently of us. Our liability will not exceed the amount for which the claim or suit could have been settled if such recommendation had been consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.
- d. We will not be obligated to pay any damages or defense costs, or to defend or continue to defend any "data compromise suit" after the Data Compromise Defense and Liability Limit has been exhausted.



- e. We shall pay all interest on that amount of any judgment within the Data Compromise Defense and Liability Limit which accrues:
- 1) after entry of judgment; and
  - 2) before we pay, offer to pay or deposit in court that part of the judgment within the Data Compromise Defense and Liability Limit or, in any case, before we pay or offer to pay the entire Data Compromise Defense and Liability Limit.

These interest payments shall be in addition to and not part of the Data Compromise Defense and Liability Limit.

## 2. Duties in the Event of a "Data Compromise Suit"

- a. If a "data compromise suit" is brought against you, you must:
- (1) Immediately record the specifics of the "data compromise suit" and the date received;
  - (2) Provide us with written notice, as soon as practicable, but in no event more than 90 days after the date the "data compromise suit" is first received by you;
  - (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "data compromise suit";
  - (4) Authorize us to obtain records and other information;
  - (5) Cooperate with us in the investigation, settlement or defense of the "data compromise suit";
  - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and
  - (7) Take no action, or fail to take any required action, that prejudices your rights or our rights with respect to such "data compromise suit".
- b. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.
- c. If you become aware of a claim or complaint that may become a "data compromise suit", you will promptly inform us of such claim or complaint.

## 3. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this endorsement. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information" or "personally sensitive information" including shredding hard copy files and destroying physical media used to store electronic data.

## 4. Legal Advice

We are not your legal advisor. Our determination of what is or is not covered under this Data Compromise Plus Coverage endorsement does not represent advice or counsel from us about what you should or should not do.

## 5. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to "affected individuals". We assume no responsibility under this Data Compromise Plus Coverage for any services promised to "affected individuals" without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under Additional Condition **6. Service Providers**. You must provide the following at our pre-notification consultation with you:

- a. The exact list of "affected individuals" to be notified, including contact information;
- b. Information about the "personal data compromise" that may appropriately be communicated with "affected individuals"; and
- c. The scope of services that you desire for the "affected individuals". For example, coverage may be structured to provide fewer services in order to make those services available to more "affected individuals" without exceeding the available Response Expenses Limit.

## 6. Service Providers

- a. We will only pay under this Data Compromise Plus Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Data Compromise Plus Coverage. We will not unreasonably withhold such approval.



- b. Prior to the Pre-Notification Consultation described in Additional Condition 5. above, you must come to agreement with us regarding the service provider(s) to be used for the **Notification to "Affected Individuals"** and **Services to "Affected Individuals"**. We will suggest a service provider; however, if you prefer to use an alternate service provider, our coverage is subject to the following limitations:
- (1) Such alternate service provider must be approved by us;
  - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
  - (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

**7. Services**

The following conditions apply as respects any services provided to you or any "affected individual" by us, our designees or any service firm paid for in whole or in part under this Data Compromise Plus coverage:

- a. The effectiveness of such services depends on your cooperation and assistance;
- b. All services may not be available or applicable to all individuals. For example, "affected individuals" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions;
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events; and
- d. You will have a direct relationship with the professional service firms paid for in whole or in part under this coverage. Those firms work for you.

**8. Prompt Payment of Claims**

**a. Receipt of Notice of Claim.**

- (1) Not later than the 15th day after the date we receive notice of a claim, we will:
  - (a) acknowledge receipt of the claim;
  - (b) commence any investigation of the claim; and
- (2) Request from you all items, statements, and forms that we reasonably believe, at that time, will be required from you.
- (3) We may make additional requests for information if during the investigation of the claim the additional requests are necessary.
- (4) If the acknowledgment of receipt of a claim is not made in writing, we will make a record of the date, manner, and content of the acknowledgment.

**b. Notice of Acceptance or Rejection of Claim.**

- (1) Except as provided by Subsection c., we will notify you in writing of the acceptance or rejection of a claim not later than the 15th business day after the date we receive all items, statements, and forms required by us to secure final proof of loss.
- (2) If we reject the claim, the notice required by Subsection **b.(1)** must state the reasons for the rejection.
- (3) If we are unable to accept or reject the claim within the period specified by Subsection **b.(1)**, we, within that same period, will notify you of the reasons that we need additional time. We will accept or reject the claim not later than the 45th day after the date we notify you under this subsection.

**c. Payment of Claim.**

- (1) Except as otherwise provided by this section, if we notify you under Subsection b. that we will pay a claim or part of a claim, we will pay the claim not later than the fifth business day after the date notice is made.
- (2) If payment of the claim or part of the claim is conditioned on the performance of an act by you, we will pay the claim not later than the fifth business day after the date the act is performed.

**d. Delay in Payment of Claim.**

- (1) Except as otherwise provided, if we after receiving all items, statements, and forms reasonably requested and required under Subsection a, delay payment of the claim for a period exceeding the period specified by applicable statutes or, if other statutes do not specify a period, for more than 60 days, we will pay damages and other items as provided by Texas Insurance Code Section 542.060.



(2) Subsection d.(1) does not apply in a case in which it is found as a result of arbitration or litigation that a claim received by us is invalid and should not be paid by us.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following is added to **SECTION V - DEFINITIONS**

**DEFINITIONS - SECTION 1 AND SECTION 2**

1. "Affected individual" means any person who is your current, former or prospective customer, client, member, owner, director or employee and whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this endorsement. This definition is subject to the following provisions:
  - a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual";
  - b. An "affected individual" must have a direct relationship with your interests as insured under this policy. The following are examples of individuals who would not meet this requirement:
    - 1) If you aggregate or sell information about individuals as part of your business, the individuals about whom you keep such information do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours;
    - 2) If you store, process, transmit or transport records, the individuals whose "personally identifying information" or "personally sensitive information" you are storing, processing, transmitting or transporting for another entity do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours; or
    - 3) You may have operations, interests or properties that are not insured under this policy. Individuals who have a relationship with you through such other operations, interests or properties do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of the operation insured under this policy; and
  - c. An "affected individual" may reside anywhere in the world.
2. "Data Compromise Defense Costs" means expenses resulting solely from the investigation, defense and appeal of any "data compromise suit" against you. Such expenses must be reasonable and necessary. They will be incurred by us. They do not include your salaries or your loss of earnings. They do include premiums for any appeal bond, attachment bond or similar bond, but we have no obligation to apply for or furnish any such bond.
3. "Data Compromise Liability"
  - a. "Data compromise liability" means the following, when they arise from a "data compromise suit":
    - 1) Damages, judgments or settlements to "affected individuals";
    - 2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or by court order; and
    - 3) Pre-judgment interest interest on that part of any judgment paid by us.
  - b. "Data compromise liability" does not mean:
    - 1) Damages, judgments or settlements to anyone who is not an "affected individual";
    - 2) Civil or criminal fines or penalties imposed by law;
    - 3) Punitive or exemplary damages;
    - 4) The multiplied portion of multiplied damages;
    - 5) Taxes; or
    - 6) Matters which may be deemed uninsurable under the applicable law.
4. "Data Compromise Suit"
  - a. "Data Compromise Suit" means a civil proceeding in which damages to one or more "affected individuals" arising from a "personal data compromise" or the violation of a governmental statute or regulation are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. "Data compromise suit" includes:
    - 1) An arbitration proceeding in which such damages are claimed, and to which you must submit or do submit with our consent;
    - 2) Any other alternative dispute resolution proceeding in which such damages are claimed, and to which you submit with our consent; or
    - 3) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.



- b. "Data compromise suit" does not mean any demand or action brought by or on behalf of someone who is:
  - 1) Your director or officer;
  - 2) Your owner or part-owner; or
  - 3) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by class action. "Data compromise suit" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual".
- c. "Data compromise suit" does not mean any demand or action brought by an organization, business, institution, or any other party that is not an "affected individual" or governmental entity. "Data compromise suit" does not mean any demand or action brought on behalf of an organization, business, institution, governmental entity or any other party that is not an "affected individual".
5. "Identity Theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes. "Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.
6. "Malware-Related Compromise" means a "personal data compromise" that is caused, enabled or abetted by a virus or other malicious code that, at the time of the "personal data compromise", is named and recognized by the CERT<sup>E</sup> Coordination Center, McAfee<sup>E</sup>, Secunia, Symantec or other comparable third party monitors of malicious code activity.
7. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss theft, accidental release or accidental publication must result in, or have the reasonable possibility of resulting in, the fraudulent use of such information. This definition is subject to the following provisions:
  - a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in your direct care, custody or control of:
    - 1) You; or
    - 2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information
  - b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, subject to the following provisions:
    - 1) The failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
    - 2) Such disposal or abandonment must take place during the time period for which this Data Compromise Plus Coverage endorsement is effective;
  - c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof; and
  - d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".
8. "Personally identifying information" means information, including health information, which could be used to commit fraud or other illegal activity involving the credit, access to health care, or identity of an "affected individual". This includes but is not limited to Social Security numbers or account numbers. "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.
9. "Reckless Disregard" means that:
  - a. The action or procedure is deliberate; and
  - b. The action or procedure entails either a certainty or a high probability of causing or allowing a "personal data compromise".



10. "Personally Sensitive Information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

"Personally sensitive information" does not mean or include "personally identifying information".

C. The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

### **SECTION 3 - IDENTITY RECOVERY COVERAGE**

#### **COVERAGE - SECTION 3**

We will provide the Case Management Service and Expense Reimbursement Coverage indicated below if all of the following requirements are met:

1. There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this policy;
2. Such "identity theft" is first discovered by the "identity recovery insured" during the policy period for which this Identity Recovery Coverage is applicable; and
3. Such "identity theft" is reported to us within 90 days after the date it is first discovered by the "identity recovery insured".

If all three of the requirements listed above have been met, then we will provide the following to the "identity recovery insured":

1. Case Management Service  
Services of an "identity recovery case manager" as needed to respond to the "identity theft"; and
2. Expense Reimbursement  
Reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to Paragraph

### **2. Exclusions under SECTION I - COVERAGES**

#### **EXCLUSIONS - SECTION 3**

We do not cover loss or expense arising from any of the following:

1. The theft of a professional or business identity;
2. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any authorized representative of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act; or
3. An "identity theft" that is not reported in writing to the police.

For the purpose of the **Section 3** coverage under this endorsement only, **SUPPLEMENTARY PAYMENTS** under **SECTION I - COVERAGES** do not apply:

For the purpose of the **Section 3** coverage under this endorsement only, the following replaces **SECTION**

### **III - LIMITS OF INSURANCE**

#### **LIMITS - SECTION 3**

1. Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the amount of limit available for Expense Reimbursement Coverage.
2. Expense Reimbursement Coverage is subject to the Expense Reimbursement Limit indicated for this endorsement. The Expense Reimbursement Limit is an annual aggregate limit per "identity recovery insured". Regardless of the number of claims, this limit is the most we will pay for the total of all loss or expense arising out of all "identity thefts" to any one "identity recovery insured" which are first discovered by the "identity recovery insured" during a 12 month period starting with the beginning of the present annual policy period. If an "identity theft" is first discovered in one policy period and continues into other policy periods, all loss and expense arising from such "identity theft" will be subject to the aggregate limit applicable to the policy period when the "identity theft" was first discovered.
3. Legal costs as provided under item **d.** of the definition of "identity recovery expenses" are part of, and not in addition to, the Expense Reimbursement Coverage limit.
4. Item **e.** (Lost Wages) and item **f.** (Child Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to a sublimit of \$5,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
5. Item **g.** (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".





6. Item **h.** (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

#### **DEDUCTIBLE - SECTION 3**

1. Case Management Service is not subject to a deductible.
2. Expense Reimbursement Coverage is subject to the Expense Reimbursement Deductible indicated for this endorsement. Any one "identity recovery insured" will be responsible for only one deductible under this Identity Recovery Coverage during any one policy period.

For the purpose of the coverage under **Section 3** under this endorsement only, **SECTION II - WHO IS AN INSURED** does not apply.

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:**

#### **ADDITIONAL CONDITIONS - SECTION 3**

##### **1. Help Line**

- a. For assistance, the "identity recovery insured" should call the **Identity Recovery Help Line** at **1-800-414-9783**.

- b. The **Identity Recovery Help Line** can provide the "identity recovery insured" with:

- 1) Information and advice for how to respond to a possible "identity theft"; and
- 2) Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management Services at our expense to an "identity recovery insured" prior to a determination that a covered "identity theft" has occurred. Our provision of such services is not an admission of liability under this policy. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered "identity theft" has not occurred.

- c. As respects Expense Reimbursement Coverage the "identity recovery insured" must send to us, within 90 days after our request, receipts, bills or other records that support his or her claims for "identity recovery expenses".

##### **2. Services**

The following conditions apply as respects any services provided by us or our designee to any "identity recovery insured" under this endorsement:

- a. Our ability to provide helpful services in the event of an "identity theft" depends on the cooperation, permission and assistance of the "identity recovery insured";
- b. All services may not be available or applicable to all individuals. For example, "identity recovery insureds" who are minors of foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions; and
- c. We do not warrant or guarantee that our services will end or eliminate all problems associated with an "identity theft" or prevent future "identity thefts".

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to **SECTION V - DEFINITIONS**

#### **DEFINITIONS - SECTION 3**

1. "Identity Recovery Case Manager" means one or more individuals assigned by us to assist an "identity recovery insured" with communications we deem necessary for re-establishing the integrity of the personal identity of the "identity recovery insured". This includes, with the permission and cooperation of the "identity recovery insured", written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.
2. "Identity Recovery Expenses" means the following when they are reasonable and necessary expenses that are incurred as a direct result of an "identity theft":
  - a. Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an "identity theft";
  - b. Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of your efforts to report an "identity theft" or amend or rectify records as to your true name or identity as a result of an "identity theft";
  - c. Costs for credit reports from established credit bureaus;
  - d. Fees and expenses for an attorney approved by us for the following:
    - 1) The defense of any civil suit brought against an "identity recovery insured";
    - 2) The removal of any civil judgment wrongfully entered against an "identity recovery insured";



- 3) Legal assistance for an "identity recovery insured" at an audit or hearing by a governmental agency;
- 4) Legal assistance in challenging the accuracy of the "identity recovery insured's" consumer credit report; and
- 5) The defense of any criminal charges brought against an "identity recovery insured" arising from the actions of a third party using the personal identity of the "identity recovery insured";
- e. Actual lost wages of the "identity recovery insured" for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours;
- f. Actual costs for supervision of children or elderly or infirm relatives or dependents of the "identity recovery insured" during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured";
- g. Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured"; and
- h. Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".
  - 1) Such costs include:
    - (a) Costs by the "identity recovery insured" to recover control over his or her personal identity; and
    - (b) Deductibles or service fees from financial institutions.
  - 2) Such costs do not include:
    - (a) Costs to avoid, prevent or detect "identity theft" or other loss;
    - (b) Money lost or stolen; and
    - (c) Costs that are restricted or excluded elsewhere in this endorsement or policy.
3. "Identity Recovery Insured" means the following:
  - a. When the entity insured under this policy is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured entity;
  - b. When the entity insured under this policy is a partnership, the "identity recovery insureds" are the current partners; or
  - c. When the entity insured under this policy is a corporation or other organization, the "identity recovery insureds" are all the individuals having ownership position of 20% or more of the insured entity. However, if and only if there is no one who has such an ownership position, then the "identity recovery insured" will be:
    - 1) The chief executive of the insured entity; or
    - 2) As respects a religious institution, the senior ministerial employee.

An "identity recovery insured" must always be an individual person. The entity insured under this policy is not an "identity recovery insured".

- 4. "Identity Theft" means the fraudulent use of the social security number or other method of identifying an "identity recovery insured". This includes fraudulently using the personal identity of an "identity recovery insured" to establish credit accounts, secure loans, enter into contracts, or commit crimes. "Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.



SPP 2505525 00

## CYBERSECURE COVERAGE DECLARATIONS

NETWORK SECURITY LIABILITY PROVIDES CLAIMS-MADE COVERAGE  
PLEASE READ THE ENTIRE COVERAGE FORM CAREFULLY.

Policy Number: SPP 2505525 00  
Account Number: AC00054162  
Named Insured: THOMPSON THRIFT HOLDING

### SECTION 1 - COMPUTER ATTACK AND CYBER EXTORTION

Computer Attack Limit and Cyber Extor- tion Limit	\$ 100,000	Annual Aggregate
Sublimits		
Data Recreation	\$ 5,000	Per Occurrence
Loss of Business	\$ 10,000	Per Occurrence
Public Relations	\$ 5,000	Per Occurrence
Cyber Extortion Expenses	\$ 25,000	Per Occurrence
Computer Attack and Cyber Extortion De- ductible	\$ 1,000	Per Occurrence

### SECTION 2 - NETWORK SECURITY LIABILITY

Cyber Liability Limit	\$ 100,000	Annual Aggregate
Cyber Liability Deductible	\$ 1,000	Per Occurrence
Cyber Liability Optional Coverage		
3 <sup>rd</sup> Party Business Information	\$ INCLUDED	
Electronic Media Liability	\$ INCLUDED	

ESTIMATED PREMIUM FOR THIS COVERAGE FORM: \$383



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **HIRED AUTO AND NON-OWNED AUTO LIABILITY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

**A.** Insurance is provided only for those coverages for which a specific premium charge is shown in the Declarations.

**1. Hired Auto Liability**

The insurance provided under **Section I - Coverage A Bodily Injury And Property Damage Liability** applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

**2. Non-Owned Auto Liability**

The insurance provided under **Section I - Coverage A Bodily Injury And Property Damage Liability** applies to "bodily injury" or "property damage" arising out of the maintenance or use of any "non-owned auto" in your business by any person.

**B.** For insurance provided by this endorsement only:

**1.** The exclusions, under Paragraph 2. **Section I - Coverage A Bodily Injury and Property Damage Liability**, other than Exclusions **a.**, **d.**, **f.**, **i.** and **p.** and the Nuclear Energy Liability Exclusion are deleted and replaced by the following:

**a.** "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

**b.** "Bodily Injury" to

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(c) The spouse, child, parent, brother, or sister, of that "employee" as a consequence of Paragraph **b.** (1) above.

This exclusion applies:

(d) Whether the insured may be liability as an employer or in any other capacity; and

(e) To any obligation to share damages with or repay someone else who must pay damages because of injury;

This exclusion does not apply to:

(a) Liability assumed by the insured under an "insured contract"; or

(b) "Bodily Injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

**c.** "Property damage" to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody or control of the insured.

**2.** For the purposes of this endorsement only, **Section II - Who Is An Insured** is replaced by the following:

Each of the following is an insured under this endorsement to the extent set forth below:

**a.** You;

**b.** Any other person using a "hired auto" with your permission;

**c.** For a "non-owned auto":

(1) Any partner or "executive officer" of yours; or

(2) Any "employee" of yours

but only while such "non-owned auto" is being used in your business; and

**d.** Any other person or organization, but only for their liability because of acts or omission of an insured under **a.**, **b.**, or **c.** above.

None of the following is an insured:



- (1) Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;
- (2) Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of this or her household;
- (3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
- (4) The owner or lessee (of whom you are a sub lessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee; or
- (5) Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

**C.** For the purposes of this endorsement only **Section IV - Definition** is amended by the addition of the following:

1. "Auto Business" means the business or occupation of selling, repairing, servicing, storing or parking "autos"
2. "Hired Auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your partners or your "executive officers" or members of their households.
3. "Insured contract" means that part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
4. "Non-Owned Auto" means any "auto" you do not own, lease, rent or borrow which is used in connection with your business. This includes "autos" owned by your "employees", your partners or your "executive officers", or members of their households, but only while used in your business or your personal affairs.

**SL 11 05 04 10 Page 2 of 2**

\*//\*SL1105-201004

State Auto Insurance Companies





THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
  - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
    - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
    - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
    - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:
 

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

  - (a) Any "nuclear reactor";



- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.



## COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

### SECTION I - COVERAGES

#### COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

##### 2. Exclusions

This insurance does not apply to:

###### a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of





the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

**f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
  - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
    - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a



contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - (i) Any insured; or
  - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
  - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the

intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or

regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
  - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
  - (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted

to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

**COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY****1. Insuring Agreement**

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and





(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B**.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

## 2. Exclusions

This insurance does not apply to:

### a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

### c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

### d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

### e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

### f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

### g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

### h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

### i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

### j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

### k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

### l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

### m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution-related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**COVERAGE C - MEDICAL PAYMENTS****1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury On Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers' Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletics Activities**

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.



**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under Coverage A.

**SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

**SECTION II - WHO IS AN INSURED**

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only



- with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
    - (1) "Bodily injury" or "personal and advertising injury":
      - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
      - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
      - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
      - (d) Arising out of his or her providing or failing to provide professional health care services.
- (2) "Property damage" to property:
    - (a) Owned, occupied or used by;
    - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
 

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
  - b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.
  - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.
- ### SECTION III - LIMITS OF INSURANCE
1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
- a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".





2. The General Aggregate Limit is the most we will pay for the sum of:
  - a. Medical expenses under Coverage C;
  - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
  - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage A; and
  - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
    - (1) Immediately record the specifics of the claim or "suit" and the date received; and
    - (2) Notify us as soon as practicable. You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
  - c. You and any other involved insured must:
    - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
    - (2) Authorize us to obtain records and other information;
    - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
    - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
  - d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

##### **4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

**b. Excess Insurance**

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**6. Representations**

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.



## 8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

## 9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
  - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
  - (2) The activities of a person whose home is in the territory described in Paragraph

a. above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.





Paragraph **f.** does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

- (1) Power cranes, shovels, loaders, diggers or drills; or
- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises



- that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
16. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in your contract has been completed.
      - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
  - b. Does not include "bodily injury" or "property damage" arising out of:
    - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
    - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.
17. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, electronic data is not tangible property.
- As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
21. "Your product":
- a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) You;
      - (b) Others trading under your name; or
      - (c) A person or organization whose business or assets you have



- acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

**22. "Your work":**

- a. Means:
- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.



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## AMENDMENT OF INSURED CONTRACT DEFINITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The definition of "insured contract" in the **Definitions** section is replaced by the following:

"Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.



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## **AMENDMENT OF CONTRACTUAL LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

- A.** The following replaces Paragraph **(2)** of Exclusion **b.**, Contractual Liability, in Paragraph **2.** of SECTION **I** - COVERAGES - COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:
- (1)** That you would have in the absence of the contract or agreement; or
  - (2)** Assumed by you in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than you will be deemed to be damages because of "bodily injury" or "property damage", provided that:
    - (a)** Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
    - (b)** Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.
- B.** The following replaces the beginning of Paragraph **2.**, and Paragraphs **2.a.**, **b.**, **c.**, **d.** and **e.**, of SUPPLEMENTARY PAYMENTS - COVERAGES A AND B of SECTION **I** - COVERAGES:
- 2.** If we defend you against a "suit" and your indemnitee is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
    - a.** The "suit" against the indemnitee seeks damages for which you have assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
    - b.** This insurance applies to such liability assumed by you;
    - c.** The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by you in the same "insured contract";
    - d.** The allegations in the "suit" and the information we know about the "occurrence" are such that we determine that no conflict exists between your interests and the interests of the indemnitee;
    - e.** You and the indemnitee ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend you and the indemnitee; and
- C.** The following replaces the last sentence of Paragraph **2.** of SUPPLEMENTARY PAYMENTS - COVERAGES A AND B of SECTION **I** - COVERAGES:
- Our obligation to defend your indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:
- a.** We have used up the applicable limit of insurance in the payment of judgments, settlements, medical expenses; or
  - b.** The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

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**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL  
OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY  
- WITH LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

- p. **Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

**Damages arising out of:**

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above. However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.



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## CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

### A. Applicability Of The Provisions Of This Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
  - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part or Policy; or
  - b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
    - (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
    - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
    - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

### 2. If the provisions of this endorsement become applicable, such provisions:

- a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and
- b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.

### 3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

### B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:
  - a. That involve the following or preparation for the following:
    - (1) Use or threat of force or violence; or



- (2) Commission or threat of a dangerous act; or
- (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- b. When one or both of the following applies:
  - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
- 2. "Any injury or damage" means any injury or damage covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or Policy.

C. The following exclusion is added:

**EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism".

"Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

- 1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
- 2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- 3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- 4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2. **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B.** The following exclusion is added to Paragraph 2. **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C.** The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EMPLOYMENT - RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.



## CYBERSECURE COVERAGE FORM COMPUTER ATTACK AND CYBER EXTORTION CYBER LIABILITY

### CYBER LIABILITY PROVIDES CLAIMS-MADE COVERAGE PLEASE READ THE ENTIRE FORM CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the "named insured(s)" shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance. Some words and phrases that appear in **bold** face or quotation marks have special meaning. Refer to DEFINITIONS.

The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this CyberSecure Coverage, unless specifically stated otherwise in an endorsement(s) attached hereto.

#### SECTION 1 - COMPUTER ATTACK AND CYBER EXTORTION

##### A. COMPUTER ATTACK - COVERED CAUSE OF LOSS

This Computer Attack coverage applies only if all of the following conditions are met:

1. There has been a "computer attack"; and
2. Such "computer attack" is first discovered by you during the policy period for which this Coverage Form is applicable; and
3. Such "computer attack" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

##### B. COMPUTER ATTACK - COVERAGES PROVIDED

If all three of the conditions listed above in COMPUTER ATTACK - COVERED CAUSE OF LOSS have been met, then we will provide you the following coverages for loss directly arising from such "computer attack".

###### 1. Data Restoration

We will pay your necessary and reasonable "data restoration costs".

###### 2. Data Re-creation

We will pay your necessary and reasonable "data re-creation costs".

###### 3. System Restoration

We will pay your necessary and reasonable "system restoration costs".

###### 4. Loss of Business

We will pay your actual "business income loss" and your necessary and reasonable "extra expenses".

###### 5. Public Relations

If you suffer a covered "business income loss", we will pay for the services of a professional public relations firm to assist you in communicating your response to the "computer attack" to the media, the public and your customers, clients or members.

##### C. CYBER EXTORTION - COVERED CAUSE OF LOSS

This Cyber Extortion coverage applies only if all of the following conditions are met:

1. There has been a "cyber extortion threat"; and
2. Such "cyber extortion threat" is made against you during the policy period for which this endorsement is applicable; and
3. Such "cyber extortion threat" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

##### D. CYBER EXTORTION - COVERAGE PROVIDED

If all three of the conditions listed above in CYBER EXTORTION - COVERED CAUSE OF LOSS have been met, then we will pay for your necessary and reasonable "cyber extortion expenses" arising directly from a "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval.

**E. SECTION 1 - LIMITS**

The most we will pay under Computer Attack and Cyber Extortion coverage is the Computer Attack and Cyber Extortion Limit indicated in the CyberSecure Coverage Declarations. If no limit is shown or is shown as Excluded in the CyberSecure Coverage Declarations, then the Computer Attack and Cyber Extortion coverage will be considered to have a limit of \$0.

The most we will pay under Data Re-creation coverage for loss (including "business income loss" and "extra expense" related to data re-creation activities) arising from any one "computer attack" is the Data Re-creation Sublimit indicated in the CyberSecure Coverage Declarations. This sublimit is part of, and not in addition to, the Computer Attack and Cyber Extortion Limit. If no sublimit is shown or is shown as Excluded in the CyberSecure Coverage Declarations, then the Data Re-creation coverage will be considered to have a sublimit of \$0.

The most we will pay under Loss of Business coverage for loss arising from any one "computer attack" is the Loss of Business Sublimit indicated in the CyberSecure Coverage Declarations. This sublimit is part of, and not in addition to, the Computer Attack and Cyber Extortion Limit. If no sublimit is shown or is shown as Excluded in the CyberSecure Coverage Declarations, then the Loss of Business coverage will be considered to have a sublimit of \$0.

The most we will pay under Public Relations coverage for loss arising from any one "computer attack" is the Public Relations Sublimit indicated in the CyberSecure Coverage Declarations. This sublimit is part of, and not in addition to, the Computer Attack and Cyber Extortion Limit. If no sublimit is shown or is shown as Excluded in the CyberSecure Coverage Declarations, then the Public Relations coverage will be considered to have a sublimit of \$0.

The most we will pay under Cyber Extortion coverage for loss arising from any one "cyber extortion threat" is the Cyber Extortion Expenses Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Computer Attack and Cyber Extortion Limit. If no sublimit is shown or is shown as Excluded on the CyberSecure Supplemental Declarations, then the Cyber Extortion coverage will be considered to have a sublimit of \$0.

The Computer Attack and Cyber Extortion Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under Section 1 arising out of all "computer attack" and "cyber extortion threat" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "computer attack" or "cyber extortion threat" events occurring during that period.

A "computer attack" or "cyber extortion threat" may be first discovered by you in one policy period but it may cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "computer attack" or "cyber extortion threat" will be subject to the Computer Attack and Cyber Extortion Limit applicable to the policy period when the "computer attack" or "cyber extortion threat" was first discovered by you.

**F. SECTION 1 - DEDUCTIBLE**

The Computer Attack and Cyber Extortion coverage is subject to the Computer Attack and Cyber Extortion Deductible indicated in the in the CyberSecure Coverage Declarations. You shall be responsible for the applicable deductible amount as respects loss arising from each "computer attack" and "cyber extortion threat" covered under this Coverage Form.

**SECTION 2 - CYBER LIABILITY****A. CYBER LIABILITY - COVERED CAUSE OF LOSS**

This Cyber Liability coverage applies only if all of the following conditions are met:

1. You first receive notice of a "cyber liability suit" during the policy period for which this Coverage Form is applicable or any Extended Reporting Periods; and
2. Such "cyber liability suit" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

**B. CYBER LIABILITY - COVERAGES PROVIDED**

If both of the conditions listed above in **SECTION 2 - COVERED CAUSE OF LOSS** have been met, then we will provide you the following coverages for loss directly arising from such "cyber liability suit".

**1. Defense**

We will pay your necessary and reasonable "cyber liability defense costs".

**2. Settlement Costs**

We will pay your necessary and reasonable "cyber liability settlement costs".

**C. SECTION 2 - LIMITS**

Except for post-judgment interest, the most we will pay under Cyber Liability coverage is the Cyber Liability Limit indicated in the CyberSecure Coverage Declarations. If no limit is shown or is shown as Excluded on the CyberSecure Coverage Declarations, then the Cyber Liability coverage will be considered to have a limit of \$0.

The Cyber Liability Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under Section 2 (other than post-judgment interest) arising out of all "cyber liability suits" of which you first receive notice during the present annual policy period or any Extended Reporting Periods. This limit applies regardless of the number of "cyber liability suits" of which you first receive notice during that period.

You may first receive notice of a "cyber liability suit" in one policy period but it may cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "cyber liability suit" (other than post-judgment interest) will be subject to the Cyber Liability Limit applicable to the policy period when notice of the "cyber liability suit" was first received by you.

The Cyber Liability Limit for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Cyber Liability Limit for the immediately preceding policy period.

**D. SECTION 2 - DEDUCTIBLE**

The Cyber Liability coverage is subject to the Cyber Liability Deductible indicated in the CyberSecure Coverage Declarations. You shall be responsible for the applicable deductible amount as respects loss arising from each "cyber liability suit" covered under this Coverage Form.

**EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS****A. EXCLUSIONS**

We will not pay for costs or loss arising from the following:

1. Loss to the internet, an internet service provider, or any computer or computer system that is not owned or leased by you and operated under your control.
2. Costs to research or correct any deficiency.
3. Any fines or penalties.
4. Any criminal investigations or proceedings.
5. Your intentional or willful complicity in a covered loss event or your reckless disregard for the security of your computer system or data.
6. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
7. Any "computer attack" occurring prior to the first inception of this CyberSecure Coverage Form or any coverage substantially similar to that described in this Coverage Form.
8. That part of any "cyber liability suit" seeking any non-monetary relief.
9. Any "cyber liability suit" arising from a propagation of malware, "denial of service attack", or if applicable, loss, release or disclosure of business data or electronic display of information that occurred prior to the first inception of this CyberSecure Coverage Form or any coverage substantially similar to that described in this Coverage Form.
10. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.
11. Seizure or destruction of property by order of governmental authority.
12. Nuclear reaction or radiation or radioactive contamination, however caused.
13. War and military action including any of the following and any consequence of any of the following:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, political violence, or action taken by governmental authority in hindering or defending against any of these.
14. Any "electronic media liability suit" brought against you if your business is (a) advertising, broadcasting, publishing or telecasting; (b) designing or determining content of web-sites for others; or (c) an internet search, access, content or service provider.

**B. CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions:

**1. Abandonment**

There can be no abandonment of any property to us.





## 2. Concealment or Fraud

This policy is void if you have intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

## 3. Cyber Extortion Service Provider

- a. We will only pay under this CyberSecure coverage for cyber extortion negotiation and investigation services that are provided by service providers approved by us. You must obtain our prior approval for any negotiation and investigation service provider whose expenses you want covered under this CyberSecure coverage. We will not unreasonably withhold such approval.
- b. You must come to agreement with us regarding the service provider(s) to be used for the cyber extortion negotiation and investigation services. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
  - 1) Such alternate service provider must be approved by us;
  - 2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
  - 3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

## 4. Coverage Territory

The "computer attack" must involve a computer or other electronic hardware that is owned or leased by you and operated under your control within the United States of America, its territories and possessions, and Puerto Rico.

The "cyber liability suit" must be brought in the United States of America, its territories and possessions, Puerto Rico or Canada.

## 5. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this Coverage Form.

This includes, but is not limited to, complying with reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate computer and internet security; and
- b. Maintaining and updating at appropriate intervals backups of computer data.

## 6. Duties in the Event of a "Computer Attack"

You must see that the following are done in the event of a "computer attack":

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the "computer attack". As noted in Section 1 A.3., you must report the "computer attack" to us within 60 days of the date you first discover it.
- c. As soon as possible, give us a description of how, when and where the "computer attack" occurred.
- d. Take all reasonable steps to protect computers or other electronic hardware. If feasible, preserve evidence of the "computer attack".
- e. Permit us to inspect the property and records proving the "computer attack".
- f. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
- g. Send us a signed, sworn statement containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- h. Cooperate with us in the investigation or settlement of the claim.

## 7. Duties in the Event of a "Cyber Liability Suit"

If a "cyber liability suit" is brought against you, you must:

- a. Immediately record the specifics of the "cyber liability suit" and the date received; and
- b. Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "cyber liability suit" is first received by you.
- c. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "cyber liability suit";
- d. Authorize us to obtain records and other information;
- e. Cooperate with us in the investigation, settlement or defense of the "cyber liability suit";
- f. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and
- g. Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "cyber liability suit".

**8. Extended Reporting Periods**

- a. You shall have the right to the Extended Reporting Periods described in this section, in the event of a "termination of coverage".
- b. If a "termination of coverage" has occurred, you shall have the right to the following:
  - 1) An Automatic Extended Reporting Period of 30 days after the effective date of "termination of coverage" at no additional premium in which to give us written notice of a "cyber liability suit" of which you first receive notice during said Automatic Extended Reporting Period for any propagation of malware, "denial of service attack", or if applicable, loss, release or disclosure of business data or electronic display of information occurring before the end of the coverage period for this CyberSecure coverage and which is otherwise covered by this CyberSecure coverage; and
  - 2) Upon payment of an additional premium of 100% of the full annual premium applicable to this CyberSecure coverage, a Supplemental Extended Reporting Period of 1 year immediately following the effective date of "termination of coverage" in which to give to us written notice of a "cyber liability suit" of which you first receive notice during said Supplemental Extended Reporting Period for any propagation of malware, "denial of service attack", or if applicable, loss, release or disclosure of business data or electronic display of information occurring before the end of the coverage period for this CyberSecure coverage and which is otherwise covered by this CyberSecure coverage.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days of the effective date of "termination of coverage". The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

**9. Legal Action Against Us**

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within 2 years after the date the "computer attack" is first discovered by you, or the date on which you first receive notice of a "cyber liability suit".

**10. Cyber Liability Defense**

- a. We shall have the right and the duty to assume the defense of any applicable "cyber liability suit" against you. You shall give us such information and cooperation as we may reasonably require.
- b. You shall not admit liability for or settle any "cyber liability suit" or incur any defense costs without our prior written consent.
- c. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "cyber liability suit" independently of us. Our liability shall not exceed the amount for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.
- d. We shall not be obligated to pay any damages or defense costs, or to defend or continue to defend any "cyber liability suit", after the Cyber Liability Limit has been exhausted.
- e. We shall pay all interest on that amount of any judgment within the Cyber Liability Limit which accrues:
  - 1) After entry of judgment; and
  - 2) Before we pay, offer to pay or deposit in court that part of the judgment within the Cyber Liability Limit or, in any case, before we pay or offer to pay the entire Cyber Liability Limit.

These interest payments shall be in addition to and not part of the Cyber Liability Limit.

**11. Other Data and Media Liability Coverage in This Policy**

Some elements of this CyberSecure coverage may also be covered under the policy to which this Coverage Form is attached. If so, this CyberSecure coverage will apply as excess, additional coverage. If loss payment has been made under the policy for the same event, the amount of such payment will count towards the deductible that applies to this CyberSecure coverage.

**12. Policy Period**

This policy applies only to "computer attacks" that are first discovered by you during the policy period shown in the Common Policy Declarations, and to "cyber liability suits" of which you first receive notice during the policy period shown in the Common Policy Declarations. The policy period begins and ends at 12:01 a.m., Standard Time, at your address shown in the Common Policy Declarations.

**13. Services**

The following conditions apply as respects any services provided to you by any service firm provided or paid for in whole or in part under this Coverage Form:

- a. The effectiveness of such services depends on your cooperation and assistance.
- b. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.

**C. DEFINITIONS**

With respect to the provisions of this Coverage Form only, the following definitions are added:

1. "Business Income Loss" means the sum of the:
  - a. Net income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal and necessary operating expenses incurred, including employee payroll, actually lost by you during the "period of restoration".
2. "Computer Attack" means one of the following involving a computer or other electronic hardware that is owned or leased by you and operated under your control:
  - a. Unauthorized Access - meaning the gaining of access to your computer system by an unauthorized person or persons; or
  - b. Malware Attack - meaning damage to your computer system or data arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers. This does not mean damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your computer system during the manufacturing process.
3. "Denial of Service Attack" means
3. "Cyber Extortion Expenses" means
  - a. The cost of a negotiator or investigator retained by you in connection with a "cyber extortion threat"; and
  - b. Any amount paid by you in response to a "cyber extortion threat" to the party that made the "cyber extortion threat" for the purposes of eliminating the "cyber extortion threat".
4. "Cyber Extortion Threat" means a demand for money from you based on a credible threat, or series of related credible threats, to launch a "denial of service attack" against you. "Cyber extortion threat" does not include any threat made in connection with a legitimate commercial dispute. "Cyber extortion threat" does not include any threat to take an action other than a "denial of service attack" against you.
5. "Cyber Liability Defense Costs"
  - a. "Cyber liability defense costs" means reasonable and necessary expenses resulting solely from the investigation, defense and appeal of any "cyber liability suit" against you. Such expenses may be incurred by us. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.
  - b. "Cyber liability defense costs" does not mean your salaries or your loss of earnings.
6. "Cyber Liability Settlement Costs"
  - a. "Cyber liability settlement costs" means the following, when they arise from a "cyber liability suit":
    - 1) Damages, judgments or settlements; and
    - 2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or court order; and
    - 3) Pre-judgment interest on that part of any judgment paid by us.
  - b. "Cyber liability settlement costs" does not mean:
    - 1) Civil or criminal fines or penalties imposed by law;
    - 2) Punitive or exemplary damages;
    - 3) The multiplied portion of multiplied damages;
    - 4) Taxes; or
    - 5) Matters which may be deemed uninsurable under the applicable law.
7. "Cyber Liability Suit" means:
  - a. a "network security liability suit"; and
  - b. If the Electronic Media Liability line under Cyber Liability Optional Coverage on the CyberSecure Supplemental Declarations is marked as Included, then "cyber liability suit" also means an "electronic media liability suit".



8. "Data Re-creation Costs"
  - a. "Data re-creation costs" means the costs of an outside professional firm hired by you to research, re-create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.
  - b. "Data re-creation costs" also means your actual "business income loss" and your necessary and reasonable "extra expenses" arising from the lack of the lost or corrupted data during the time required to research, re-create and replace such data.
  - c. "Data re-creation costs" does not mean costs to research, re-create or replace:
    - 1) Software programs or operating systems that are not commercially available; or
    - 2) Data that is obsolete, unnecessary or useless to you.
9. "Data Restoration Costs"
  - a. "Data restoration costs" means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs," such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.
  - b. "Data restoration costs" does not mean costs to research, restore or replace:
    - a) Software programs or operating systems that are not commercially available; or
    - b) Data that is obsolete, unnecessary or useless to you.
10. "Denial of Service Attack" means an intentional attack designed to overwhelm the capacity of the target computer system in order to deny or impede authorized users from gaining access to the target computer system through the internet.
11. "Electronic Media Liability Suit"
  - a. "Electronic media liability suit" means a civil proceeding against you in which damages are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. Such proceeding must be based on an allegation that an error, misstatement or misleading statement in a display of information in electronic form by you on a website resulted in:
    - 1) Infringement of another's copyright, title, slogan, trademark, trade name, trade dress, service mark or service name;
    - 2) Defamation against a person or organization that is unintended; or
    - 3) A violation of a person's right of privacy, including false light and public disclosure of private facts.

"Electronic media liability suit" includes the following:

    - 1) An arbitration or alternative dispute resolution proceeding that you are required to submit to or which we agree you should submit to; or
    - 2) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.
  - b. "Electronic media liability suit" does not mean any demand or action alleging or arising from property damage or bodily injury.
  - c. "Electronic media liability suit" does not mean any demand or action brought by or on behalf of someone who is:
    - 1) Your director or officer;
    - 2) Your owner or part-owner; or
    - 3) A holder of your securities;

in their capacity as such, whether directly, derivatively, or by class action.
12. "Extra Expense" means the additional cost you incur to operate your business during the "period of restoration" over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.
13. "Network Security Liability Suit"
  - a. "Network security liability suit" means a civil proceeding against you in which damages are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. Such proceeding must be based on an allegation that a negligent security failure or weakness with respect to a computer or other electronic hardware that is owned or leased by you and operated under your control allowed one or more of the following to happen:
    - 1) The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code.
    - 2) The unintended abetting of a "denial of service attack" against one or more other systems.





- b. If the 3<sup>rd</sup> Party Business Information line under Cyber Liability Optional Coverage on the CyberSecure Coverage Declarations is marked as Included, then "network security liability suit" also means a civil proceeding against you in which damages are alleged which is brought in the United States of America, Puerto Rico or Canada and which is based on an allegation that a negligent security failure or weakness with respect to a computer or other electronic hardware that is owned or leased by you and operated under your control allowed the loss, release or disclosure of business data that is owned by or proprietary to a third party. This does not include personally identifying information or other information that is sensitive or personal to individuals. If the 3<sup>rd</sup> Party Business Information line under Network Security Liability Optional Coverage on the CyberSecure Coverage Declarations is marked as Excluded or is blank, then "network security liability suit" does not include such suits.
- c. If the Electronic Media Liability line under Cyber Liability Optional Coverage on the CyberSecure Supplemental Declarations is marked as Included, then "network security liability suit" also means an "electronic media liability suit".
- d. "Network security liability suit" includes the following:
  - 1) An arbitration or alternative dispute resolution proceeding that you are required to submit to or which we agree you should submit to; or
  - 2) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.
- e. "Network security liability suit" does not mean any demand or action alleging or arising from property damage or bodily injury.
- f. "Network security liability suit" does not mean any demand or action brought by or on behalf of someone who is:
  - 1) Your director or officer;
  - 2) Your owner or part-owner; or
  - 3) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by class action.
- 14. "Period of Restoration" means the period of time that begins at the time that the "computer attack" is discovered by you and continues until the earlier of:
  - a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed; or
  - b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch.
- 15. "System Restoration Costs"
  - a. "System restoration costs" means the costs of an outside professional firm hired by you to do any of the following in order to restore your computer system to its pre- "computer attack" level of functionality:
    - 1) Replace or reinstall computer software programs;
    - 2) Remove any malicious code; and
    - 3) Configure or correct the configuration of your computer system.
  - b. "System restoration costs" does not mean:
    - 1) Costs to increase the speed, capacity or utility of your computer system;
    - 2) Labor of your employees;
    - 3) Any costs in excess of the actual cash value of your computer system; or
    - 4) Costs to repair or replace hardware.
- 16. "Termination of Coverage" means:
  - a. You or we cancel this CyberSecure coverage;
  - b. You or we refuse to renew this CyberSecure coverage; or
  - c. We renew this CyberSecure coverage on an other than claims-made basis or with a retroactive date later than the date of the first inception of this CyberSecure Coverage Form or any coverage substantially similar to that described in this Coverage Form.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE OR RECEIVER

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

Name Of Person(s) Or Organization(s)	Designation Of Premises
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you and shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
  2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

<b>Designation Of Premises (Part Leased To You):</b>	
<b>Name Of Person(s) Or Organization(s) (Additional Insured):</b>	
<b>Additional Premium:</b>	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CALCULATION OF PREMIUM**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary

of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

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ISO Properties, Inc., 2007





THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A. The following exclusion is added:**

This insurance does not apply to:

**TERRORISM PUNITIVE DAMAGES**

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

**B. The following definition is added:**

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.**



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A.** The following exclusion is added:

This insurance does not apply to:

**TERRORISM PUNITIVE DAMAGES**

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

**B.** The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



## INDIANA CHANGES - WORKERS' COMPENSATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 FARM LIABILITY COVERAGE FORM  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

- A.** For insurance provided under the:
- Commercial General Liability Coverage Part
  - Commercial Liability Umbrella Coverage Part
  - Employment-Related Practices Liability Coverage Part
  - Liquor Liability Coverage Part
  - Medical Professional Liability Coverage Part
  - Owners And Contractors Protective Liability Coverage Part
  - Pollution Liability Coverage Part
  - Products/Completed Operations Liability Coverage Part
  - Railroad Protective Liability Coverage Part
  - Underground Storage Tank Policy

The following is added to the **Workers' Compensation And Similar Laws** Exclusion:

This exclusion also applies to any obligation of the insured under the Indiana Workers' Compensation statutes arising out of the failure of the insured to exact from a contractor (or subcontractor if the insured is a contractor) a certificate from the workers' compensation board showing that the contractor (or subcontractor) has complied with the applicable workers' compensation insurance requirements.

- B.** For insurance provided under the Commercial Automobile Coverage Part, the following is added to the **Workers' Compensation** Exclusion:

This exclusion also applies to any obligation of the "insured" under the Indiana Workers' Compensation statutes arising out of the failure of the "insured" to exact from a contractor (or subcontractor if the "insured" is a contractor) a certificate from the workers' compensation board showing that the contractor (or subcontractor) has complied with the applicable workers' compensation insurance requirements.

- C.** For insurance provided under the Farm Liability Coverage Form and Farm Umbrella Liability Policy, the following is added to the **Workers' Compensation Or Similar Law** Exclusion:

This exclusion also applies to any obligation of the "insured" under the Indiana Workers' Compensation statutes arising out of the failure of the "insured" to exact from a contractor (or subcontractor if the "insured" is a contractor) a certificate from the workers' compensation board showing that the contractor (or subcontractor) has complied with the applicable workers' compensation insurance requirements.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MISSOURI CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Commercial Property Coverage Part in this endorsement also refers to the Standard Property Policy.

B. With respect to the:  
Commercial General Liability Coverage Part  
Commercial Property - Legal Liability Coverage Form **CP 00 40**  
Commercial Property - Mortgageholders Errors And Omissions Coverage Form CP 00 70  
Crime And Fidelity Coverage Part  
Employment-Related Practices Liability Coverage Part  
Equipment Breakdown Coverage Part  
Farm Liability Coverage Form  
Liquor Liability Coverage Part  
Pollution Liability Coverage Part  
Products/Completed Operations Liability Coverage Part  
Medical Professional Liability Coverage Part;  
the following **Cancellation** and **Nonrenewal** Provisions apply:

Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the actual reason for cancellation, at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
  - b. 30 days before the effective date of cancellation if cancellation is for one or more of the following reasons:
    - (1) Fraud or material misrepresentation affecting this policy or a claim filed under this policy or a violation of any of the terms or conditions of this policy;

(2) Changes in conditions after the effective date of this policy which have materially increased the risk assumed;

(3) We become insolvent; or

(4) We involuntarily lose reinsurance for this policy;

c. 60 days before the effective date of cancellation if we cancel for any other reason.

### Nonrenewal

The following is added and supersedes any provision to the contrary:

- a. We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.
- b. If notice is mailed, proof of mailing will be sufficient proof of notice.

C. With respect to the:  
Capital Assets Program (Output Policy) Coverage Part

Commercial Inland Marine Coverage Part  
Commercial Property Coverage Part  
Farm Property - Other Farm Provisions Form - Additional Coverages, Conditions, Definitions Coverage Form  
Farm - Livestock Coverage Form  
Farm - Mobile Agricultural Machinery And Equipment Coverage Form;  
Paragraphs 1., 2., 3., 4. and 6. of the **Cancellation** Common Policy Condition are replaced by the following:

### Cancellation, Nonrenewal And Decreases In Coverage

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.



2. We may cancel, nonrenew, reduce in amount or adversely modify this policy by mailing or delivering to the first Named Insured written notice of this action at least:
  - a. 10 days before the effective date of this action if due to nonpayment of premium or evidence of incendiarism; or
  - b. 30 days before the effective date of this action if for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of:
  - a. Cancellation will state the effective date of cancellation. The policy period will end on that date.
  - b. Any other action will state the effective **date of that action**.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.
- D. With respect to all Coverage Parts addressed in this endorsement, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:
  5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
    - a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is:
      - (1) Cancelled by us or at our request;
      - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance;
      - (3) Cancelled but rewritten with us or in our company group; or
      - (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year.
    - b. When this policy is cancelled at the request of the first Named Insured (except when Paragraph a.(2), a.(3) or a.(4) applies), we will return 90% of the pro rata unearned premium (or 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part), rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multiyear prepaid policy, we will return the full annual premium for the subsequent years. The refund will be less than 90% of the pro rata unearned premium (or less than 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part) if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ARIZONA CHANGES -  
CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A.** The following is added to the **Cancellation** Common Policy Condition (and applies except in situations where **B.**, below, applies):

**7. Cancellation Of Policies In Effect For 60 Days Or More**

If this Policy has been in effect for 60 days or more, or if this Policy is a renewal of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Your conviction of a crime arising out of acts increasing the hazard insured against;
- c.** Acts or omissions by you or your representative constituting fraud or material misrepresentation in the procurement of this Policy, in continuing this Policy or in presenting a claim under this Policy;
- d.** Substantial change in the risk assumed, except to the extent that we should have reasonably foreseen the change or contemplated the risk in writing the contract;
- e.** Substantial breach of contractual duties or conditions;
- f.** Loss of reinsurance applicable to the risk insured against resulting from termination of treaty or facultative reinsurance initiated by our reinsurer or reinsurers;
- g.** Determination by the Director of Insurance that the continuation of the Policy would place us in violation of the insurance laws of this state or would jeopardize our solvency; or
- h.** Acts or omissions by you or your representative which materially increase the hazard insured against.

If we cancel this Policy based on one or more of the above reasons, we will mail by certified mail or by first-class mail using Intelligent Mail barcode or another similar tracking method used or approved by the United States Postal Service to the first Named Insured, and mail to the agent, if any, written notice of cancellation stating the reason(s) for cancellation. We will mail this notice to the last mailing addresses known to us, at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 45 days before the effective date of cancellation if we cancel for any of the other reasons.

- B.** If the Commercial Property Coverage Part, Capital Assets Program (Output Policy) Coverage Part or the Farm Property - Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form provides coverage for:

- 1.** Real property which is used predominantly for residential purposes and consists of one through four dwelling units; and/or
- 2.** Personal property (except business or farm personal property) of a person residing in such real property;

the following provisions apply (instead of those provided in Item **A.** above) with respect to cancellation of such coverage:

If this Policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- a.** Nonpayment of premium;





- b. Your conviction of a crime arising out of acts increasing the hazard insured against;
- c. Acts or omissions by you or your representative constituting fraud or material misrepresentation in obtaining the Policy, continuing the Policy or presenting a claim under the Policy;
- d. Discovery of grossly negligent acts or omissions by you substantially increasing any of the hazards insured against;
- e. Substantial change in the risk assumed by us, since the Policy was issued, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the contract;
- f. A determination by the Director of Insurance that the continuation of the Policy would place us in violation of the insurance laws of this state; or
- g. Your failure to take reasonable steps to eliminate or reduce any conditions in or on the insured premises which contributed to a loss in the past or will increase the probability of future losses.

If we cancel this Policy based on one or more of these reasons, we will mail written notice of cancellation, stating the reason(s) for cancellation, to the first Named Insured. We will mail this notice to the last mailing address known to us, at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation, if we cancel for any of the other reasons.

**C. The following is added and supersedes any provision to the contrary (and applies except in situations where **D.**, below, applies):**

**Nonrenewal**

- 1. If we elect not to renew this Policy, we will mail by certified mail or by first-class mail using Intelligent Mail barcode or another similar tracking method used or approved by the United States Postal Service to the first Named Insured, and mail to the agent, if any, written notice of nonrenewal. We will mail this notice to the last mailing addresses known to us at least 45 days prior to the expiration of this Policy.
- 2. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 3. If either one of the following occurs, we are not required to provide written notice of nonrenewal:
  - a. We or a company within the same insurance group has offered to issue a renewal policy; or

- b. You have obtained replacement coverage or agreed in writing to do so.

**4. If written notice of nonrenewal is mailed less than 45 days prior to expiration of this Policy, and neither **3.a.** nor **3.b.** applies, the coverage shall remain in effect until 45 days after the notice is mailed. Earned premium for any period of coverage that extends beyond the expiration date of this Policy shall be considered pro rata based upon the previous year's rate.**

**D. If the Commercial Property Coverage Part, Capital Assets Program (Output Policy) Coverage Part or the Farm Property - Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form provides coverage for:**

- 1. Real property which is used predominantly for residential purposes and consists of one through four dwelling units; and/or
- 2. Personal property (except business or farm personal property) of a person residing in such real property;

the following provisions apply (instead of those provided in Item **C.** above) with respect to nonrenewal of such coverage:

- 1. If we elect not to renew, we will mail written notice of nonrenewal to the first Named Insured. We will mail this notice to the last mailing address known to us, at least 30 days before the end of the policy period. Proof of mailing will be sufficient proof of notice.
- 2. If either one of the following occurs, we are not required to provide notice of nonrenewal:
  - a. You have agreed to nonrenewal; or
  - b. You have accepted replacement coverage.
- 3. If our nonrenewal is based on the condition of the premises, you will be given 30 days' notice to remedy the identified conditions. If the identified conditions are remedied, coverage will be renewed. If the identified conditions are not remedied to our satisfaction, you will be given an additional 30 days, upon payment of premium, to correct the defective conditions.

**E. The following condition is added:**

**Renewal**

- 1. If we elect to renew this Policy and the renewal is subject to any of the following:
  - a. Increase in premium;
  - b. Change in deductible;
  - c. Reduction in limits of insurance; or
  - d. Substantial reduction in coverage;
 we will mail or deliver written notice of the change(s) to the first Named Insured, at the last mailing address known to us, at least 30 days before the anniversary or expiration date of the Policy.



2. If renewal is subject to any condition described in **1.a.** through **1.d.** above, and we fail to provide notice 30 days before the anniversary or expiration date of this Policy, the following procedures apply:
- a. The present policy will remain in effect until the earlier of the following:
    - (1) 30 days after the date of mailing or delivery of the notice; or
    - (2) The effective date of replacement coverage obtained by the first Named Insured.
  - b. If the first Named Insured elects not to renew, any earned premium for the period of extension of the terminated policy will be calculated pro rata at the lower of the following rates:
    - (1) The rates applicable to the terminated policy; or
    - (2) The rates presently in effect.
  - c. If the first Named Insured accepts the renewal, the premium increase, if any, and other changes are effective the day following this Policy's anniversary or expiration date.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TEXAS CHANGES - CANCELLATION AND  
NONRENEWAL PROVISIONS FOR CASUALTY LINES  
AND COMMERCIAL PACKAGE POLICIES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY  
FARM COVERAGE PART - FARM LIABILITY COVERAGE FORM  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This endorsement also modifies insurance provided under the following when written as part of a Commercial Package Policy:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

**2.** We may cancel this policy:

- a.** By mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.  
However, if this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described above, will be provided to the first Named Insured 30 days before the effective date of cancellation. We will also provide 30 days' written notice to each unit-owner to whom we issued a certificate or memorandum of insurance, by mailing or delivering the notice to each last mailing address known to us.
- b.** For the following reasons, if this policy does not provide coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two- family dwellings:

- (1)** If this policy has been in effect for 60 days or less, we may cancel for any reason except that, under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.
- (2)** If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:
  - (a)** Fraud in obtaining coverage;
  - (b)** Failure to pay premiums when due;
  - (c)** An increase in hazard within the control of the insured which would produce an increase in rate;
  - (d)** Loss of our reinsurance covering all or part of the risk covered by the policy; or
  - (e)** If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.



c. For the following reasons, if this policy provides coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two-family dwellings:

- (1) If this policy has been in effect for less than 90 days, we may cancel coverage for any reason.
- (2) If this policy has been in effect for 90 days or more, or if it is a renewal or continuation of a policy issued by us, we may cancel coverage, only for the following reasons:
  - (a) If the first Named Insured does not pay the premium or any portion of the premium when due;
  - (b) If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;
  - (c) If the Named Insured submits a fraudulent claim; or
  - (d) If there is an increase in the hazard within the control of the Named Insured which would produce an increase in rate.

B. The following condition is added and supersedes any provision to the contrary:

**Nonrenewal**

1. We may elect not to renew this policy except that, under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.
2. This paragraph, 2., applies unless the policy qualifies under Paragraph 3. below.

If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

3. If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then we will mail or deliver written notice of nonrenewal, at least 30 days before the expiration or anniversary date of the policy, to:
  - a. The first Named Insured; and
  - b. Each unit-owner to whom we issued a certificate or memorandum of insurance.
 We will mail or deliver such notice to each last mailing address known to us.
4. If notice is mailed, proof of mailing will be sufficient proof of notice.
5. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TEXAS CHANGES - EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:  
"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and

- (2) To any obligation to share damages with or to repay someone else who must pay damages because of the injury.

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

This insurance does not apply to:  
"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONDITIONAL EXCLUSION OF TERRORISM  
(RELATING TO DISPOSITION OF FEDERAL TERRORISM  
RISK INSURANCE ACT)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A. Applicability Of The Provisions Of This Endorsement**

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.

a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part or Policy; or

b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:

(1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

(2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or

(3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

2. If the provisions of this endorsement become applicable, such provisions:

a. Supersede any terrorism endorsement already endorsed to this policy that

addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and

b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.

3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

**B. The following definitions are added and apply under this endorsement wherever the term terrorism or the phrase any injury or damage, are enclosed in quotation marks:**

1. "Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

(1) Use or threat of force or violence; or

(2) Commission or threat of a dangerous act; or

(3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. When one or both of the following applies:



- (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

- (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury or damage" means any injury or damage covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or Policy.

**C. The following exclusion is added:**

**EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:

- a. Physical injury that involves a substantial risk of death; or
- b. Protracted and obvious physical disfigurement; or
- c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs **C.5.** or **C.6.** are exceeded.

With respect to this Exclusion, Paragraphs **C.5.** and **C.6.** describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part or Policy.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part or Policy.





THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## INDIANA CHANGES - POLLUTION EXCLUSION

This endorsement modifies insurance provided under the following:  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

- A. The following is added to Paragraph 2. f. of Section I, Coverage A Bodily Injury and Property Damage Liability:
- (3) Paragraph 2. f. (1) and (2) applies to all insureds to include, but not limited to:
- An active polluter legally obligated to pay damages because of an "occurrence" resulting from continuous or repeated exposure to substantially the same generally harmful conditions, or
  - Any other polluter responsible for damages resulting from an "occurrence" caused by an isolated, infrequent, or unexpected event; or
  - Any other insured legally obligated under state or federal law.
- B. The following is added to Paragraph 2. m. of Section I, Coverage B Personal and Advertising Injury Liability: This exclusion applies to all insureds to include, but not limited to:
- (1) An active polluter legally obligated to pay damages because of an "occurrence" resulting from continuous or repeated exposure to substantially the same generally harmful conditions, or
  - (2) Any other polluter responsible for damages resulting from an "occurrence" caused by an isolated, infrequent, or unexpected event; or
  - (3) Any other insured legally obligated under state or federal law.
- C. The following replaces Paragraph 15. of **Section IV - Definitions:**
15. "Pollutants" mean any solid, liquid, gaseous, electromagnetic, thermal or other substance that can be toxic or hazardous, cause irritation to animals or persons and/or cause contamination to property and the environment including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Specific examples identified as pollutants include, but are not limited to:
- ACETATES**, including n-butyl acetate;  
**ACIDS**, including mineral acids, sulfonic acids, and carboxylic acids; such as: hydrochloric acid, hydrobromic acid, sulfuric acid, nitric acid, phosphoric acid, chromic acid, methane sulfonic acid, ethane sulfonic acid, benzene sulfonic acid, toluene sulfonic acid, formic acid, hydrofluoric acid, and acetic acid;  
**ACRYLATES** such as methyl methacrylate, ethyl methacrylate and isobutyl methacrylate;  
**ACRYLIC NAIL PRODUCTS** such as N, N dimethyl-p-toluidine, methacrylic acid, 2-hydroxy ethyl methacrylate, acrylic acid, and 2-ethylhexyl methacrylate;  
**AMIDES** such as acrylamide, acetamide, and propanamide;  
**ALDEHYDES**, such as formaldehyde, acetaldehyde, benzaldehyde, and gluteraldehyde;  
**AMINES**, such as methylamine, ethanolamine, trisamine, dimethylamine, methylethanolamine, trimethylamine, methyldiethanolamine, and dimethylethanolamine;  
**ARSENIC AND ARSENIC COMPOUNDS**, such as arsenic trioxide and arsine;  
**BASES (CAUSTICS, ALKALIES)**, such as potassium hydroxide, barium hydroxide, sodium hydroxide, calcium hydroxide, ammonium hydroxide and ammonia;  
**CARBON MONOXIDE**;  
**CHLORINATED OR HALOGENATED SOLVENTS (HYDROCARBONS)**, such as trichloroethane (TCA), trichloroethylene (TCE) and tetrachloroethylene (perchloroethylene, PERC).  
**CHLORINE**;  
**CHLOROFLUOROCARBONS**, such as Trichlorofluoromethane, Dichlorodifluoromethane, Chlorotrifluoromethane, Chlorodifluoromethane, Dichlorofluoromethane, Chlorofluoromethane, Bromochlorodifluoromethane, 1,1,2-Trichloro-1,2,2-trifluoroethane, 1,1,1-Trichloro-2,2,2-trifluoroethane, 1,2-Dichlorotetrafluoroethane, 1,1,1-Trichloro-2,2,2-trifluoroethane, 1,2-Dichlorotetrafluoroethane, 1-Chloro-1,1,2,2,2-pentafluoroethane, 1-Chloro-1,2,2,2-tetrafluoroethane, 1,1-Dichloro-1-fluoroethane, 1-Chloro-1,1-difluoroethane, Tetrachloro-1,2-difluoroethane, Tetrachloro-1,1-difluoroethane, 1,1,2-Trichlorotrifluoroethane, 1-Bromo-2-chloro-1,1,2-trifluoroethane, 2-Bromo-2-chloro-1,1,1-trifluoroethane, 1,1-Dichloro-2,2,3,3,3-pentafluoropropane, 1,3-Dichloro-1,2,2,3,3-pentafluoropropane



**CHLOROFORM** (Methylene Chloroform)

**CYANIDES**, such as hydrogen cyanide, sodium cyanide, and potassium cyanide.

**DIACETYL**;

**DIOXINS**;

**EMULSIONS AND EMULSIFIERS**;

**ETHYLENE OXIDE**;

**FIRE RETARDANT CHEMICALS**, such as monoammomium phosphate, ammonium phosphate, ammonium sulfate, and diammonium phosphate;

**FREON**, such as Freon-11, R-11, CFC-11, Freon-12, R-12, CFC-12, Freon-13, R-13, CFC-13, R-22, HCFC-22, R-21, HCFC-21, Freon 31, R-31, HCFC-31, BCF, Halon 1211, H-1211, Freon 12B1, Freon 113, R-113, CFC-113, Freon 113a, R-113a, CFC-113a, Freon 114, R-114, CFC-114, Freon 115, R-115, CFC-115, R-124, HCFC-124, R-141b, HCFC-141b, R-142b, HCFC-142b, Freon 112, R-112, CFC-112, Freon 112a, R-112a, CFC-112a, Freon 113, R-113, CFC-113, Halon 225ca, R-225cb, HCFC-225ca, R-225cb, HCFC-225cb;

**GLYCOL ETHERS and THEIR ACETATES** such as butyl cellosolve (ethylene glycol monobutyl ether), butyl cellosolve acetate, 2-butoxyethanol, 2-butoxyethanol acetate, methyl cellosolve (ethylene glycol monomethyl ether), methyl cellosolve acetate, 2-ethoxyethanol, and 2-ethoxyethanol acetate;

**GLYCOLS** such as ethylene glycol, propylene glycol and hexylene glycol;

**"GREENHOUSE GASES"**, such as carbon dioxide and methane;

**HERBICIDES**, such as 2,4-dichlorophenoxy acetic acid, atrazine, and glyphosate;

**HYDROGEN SULFIDE**;

**ISOCYANATES**, such as toluene diisocyanate (TDI), methylene bisphenyl isocyanate (MDI), methyl isocyanate, and hexamethylene isocyanate (HDI);

**KETONES**, such as methyl ethyl ketone, and methyl isobutyl ketone;

**MANUFACTURED GAS PLANT PRODUCTS**, such as manufactured gas, syngas (SNG), hygas, and producer gas;

**METALS INCLUDING METAL COMPOUNDS AND OXIDES**, such as aluminum, barium, beryllium, cadmium, chromium, chromium compounds, cobalt, copper, iron, lead, manganese, magnesium, mercury, molybdenum, selenium, strontium, vanadium, and zinc.

**PEROXIDES**

**PESTICIDES** such as aldrin, chlordane, DDT, dieldrin, endrin, heptachlor, hexachlorobenzene, mirex, toxaphene, chlordane, carbamate pesticides, organophosphate pesticides, organochlorine pesticides and pyrethroid pesticides.

**PHARMACEUTICALS AND METABOLIC PRODUCTS OF PHARMACEUTICALS** including but not limited to methamphetamine or dextromethamphetamine

**METHYLENE CHLORIDE**

**OXIDES OF NITROGEN (NOx)**, such as nitric oxide (nitrogen monoxide) and nitrogen dioxide.

**OXIDES OF SULFUR (SOx)**, such as sulfur monoxide, sulfur dioxide, sulfur trioxide and higher sulfur oxides.

**OZONE**

**PETROLEUM, PETROLEUM DISTILLATES AND PETROLEUM DERIVATIVES**

**(HYDROCARBONS)**, such as butane, crude oil, bunker fuel, marine gasoil, marine diesel oil, intermediate fuel oils, pentane, octane, nonane, hexadecane, brake fluid, transmission fluid, hydraulic fluid, No. 1 fuel oil, No. 2 fuel oil, No. 3 fuel oil, No. 4 fuel oil, No. 5 fuel oil, No. 6 fuel oil, diesel fuel oils, light fuel oils, heavy fuel oils, residual fuel oils and other fuel oils, gasoil, distillate, gasoline, aviation (jet) fuels, kerosene, lubricating oil, paraffin wax, grease, tar, asphalt, propane, natural gas, natural gas liquid, liquefied petroleum gas (LPG) and methyl tertiary-butyl ether (MTBE).

**PHENOLS**, such as phenol, cresol, hydroquinone and trichlorophenol.

**PHTHALATES**, such as n-butyl phthalate, diethyl phthalate, diethyl hexyl phthalate (DEHP and diisodecyl phthalate (DIDP)).

**POLYCHLORINATED BIPHENYLS (PCBs)**

**POLYNUCLEAR AROMATIC HYDROCARBONS**, such as anthracene, benzo[ a ] pyrene, chrysene, coronene, corannulene, naphacene, naphthalene, pentacene, phenanthrene, pyrene, triphenylene, and ovalene.

**RADIOACTIVE MATERIALS**

**SEWAGE**, such as black and gray water.

**SILICON DIOXIDE (SILICA)**

**SOLVENTS**, such as toluene, turpentine, acetone, methyl acetate, ethyl acetate, butyl acetate, hexane, petrol ether, terpenes, ethanol, methanol, propanol, isopropyl alcohol, diethyl ether, dichloromethane, perchloroethylene, naptha, VM&P naptha, stoddard solvent, mineral spirits, and acetone.

**SYNTHETIC MINERAL FIBERS**, such as refractory ceramic fibers, glasswool, rockwool, slagwool and fiberglass.

**VOLATILE ORGANIC COMPOUNDS (VOC)**, such as acrylamide, epichlorohydrin, benzene, ethyl benzene, carbon tetrachloride, styrene, chlorobenzene, tetrachloroethylene, o-dichlorobenzene, toluene, pdichlorobenzene, 1,2,4-trichlorobenzene (and other isomers), 1,2-dichloroethane (ethylene dichloride), 1,1,1-trichloroethane, 1,1-dichloroethylene 1,1,2- trichloroethane, methyl tert-butyl ether (MTBE), cis- and trans- 1,2-dichloroethylene, dichloromethane, trichloroethylene, 1,2-dichloropropane, vinyl chloride, vinyl chloride monomer, and xylenes.

**WOOD PRESSURE TREATING CHEMICALS**, such as chromated copper arsenate (CCA), pentachlorophenol, chlorpyrifos, copper naphthenate, and creosote, and

- b. Arsenic, Lead, Mercury, Vinyl Chloride, Polychlorinated Biphenyls, Benzene, Cadmium Benzo(a)pyrene, Polycyclic Aromatic Hydrocarbons, Benzo(b)fluoranthene, Chloroform, Aroclor 1260, DDT,P,P', Aroclor 1254, Dibenzo(A,H)anthracene, Trichloroethylene, (Chromium, Hexavalent), Dieldrin, White Phosphorus, Hexachlorbutdiene, DDE,P,P', Chlordane, Aroclor 1242, Coal Tar Creosote, Aldrin, DDD,PP', Aroclor 1248, Heptachlor, Aroclor, Benzidene, Acrolein, Toxaphene, Tetrachloroethylene, Gamma-Hexachlorocyclohexane, cyanide, Beta-Hexachlorocyclohexane, Disulfoton, Benzo(a)anthracene, 1,2-Dibromoethane, Endrin, Diazinon, Delta-Hexachlorocyclohexane, Beryllium, Endosulfan, Aroclor 1221, 1,2-Dibromo-3-chloropropane, Heptachlorepoide, Alpha Endosulfan, Cis-chlordane, Carbon tetrachloride, Cobalt, Aroclor 1016, DDT,O,P', Pentachlorophenol, Methoxychlor, Endosulfan Sulfate, Nickel, Di-N-Butyl Phthalate, Endrin Ketone, Dibromochloropropane, Benzo(K)Fluranthene, Trans-Chlodane, Beta Endosulfan, Chlorpyrifos, Total Xylenes, Chromium (VI) Trioxide, Aroclor 1232, Endrin Aldehyde, Methane, 3,3'-Dichlorobenzidine, 2-Hexanone, 2,3,7,8-Tetrachlorodibenzo-P-Dioxin, Benzofluoranthene, Toluene, Zinc, Pentachlorobenzene, DI(2-Ethylhexyl)Phthalate, chromium, Aroclor 1240, 2,4,6-Trinitrotoluene, Naphtalene, 1,1-Dichloroethene, Bromodichloroethane, DDD,O,P', 2,4,6-Trichlorophenol, Bis(2-CHLOROETHYL) Ether, Hydrazine, Methylene Chloride, 2,4-Dinitrophenol, 4,4'-Methylenebis(2-Chloroaniline), 1,2-Dichloroethane, Thiocyanate, Hexachlorobenzene, Asbestos, RDX(Cyclonite), Radium-226, Uranium, 2,4-Dinitrotoluene, Ethion, 4,6-Dinitrotoluene, Ethion, 4,6-Dinitro-o-cresol, Radium, Thorium, Dimethylarsinic Acid, Chlorine, 1,3,5-Trinitrobenzene, Radon, Alpha-Hexachlorocyclohexane, Radium-228, Thorium-230, Uranium-235, Thorium-228, Radon-222, Uranium-234, N-Nitrosodi-N-Propylamine, Coal Tars, Methylmercury, 1,1,1-Trichloroethane, Copper, Chrysotile Asbestos, Plutonium-239, Polonium-210, Plutonium-238, Lead-210, Amosite Asbestos, Plutonium, Strontium-90, Radon-220, Chlorobenzene, Americium-241, Hydrogen Cyanide, Azinphos-Methyl, Ethylbenzene, Chlordecone, Barium, Neptunium-237, Plutonium-240, 1,2,3-Trichlorobenzene, Fluoranthene, S,S,S-Tributylphosphorotrithioate, Manganese, Chrysene, 2,4,5-Trichlorophenol, Perfluorooctane Sulfonic Acid, Polybrominated Biphenyls, Dicofol, Selenium, 1,1,2,2-Tetrachloroethane, Parathion, Heptachlorodibenzo-P-Dioxin, Technical Grade Hexachlorocyclohexane, Trichlorofluoroethane, bromine, Aroclor 1268, 1,3-Butadiene, Perfluorooctanoic Acid, Heptachlorodibenzofuran, Trifluralin, Perfluorohexanesulfonic Acid, 1,2,3,4,6,7,8,9-Octachlorodibenzofuran, Ammonia, 2-Methylnaphthalene, 2,3,4,7,8-Pentachlorodibenzofuran, 1,4-Dichlorobenzene, 1,1-Dichloroethane, Naled 1,1,2-Trichloroethane, Hexachlorocyclopentadiene, 1,2-Diphenylhydrazine, Phororate, Trichloroethane, Acenaphthene, Tetrachlorobiphenyl, Palladium, Oxychlordane, Para Cresol, Indeno (1,2,3-CD)Pyrene, Gamma-Chlordene, Tetrachlorophenol, 1,2-Dichlorobenzene, Trans-1,2-Dichloroethene, Chloroethane, P-xylene, Aluminum, Phenol, Carbon Monoxide, Carbon Disulfide, 2,4-Dimethylphenol, Dibenzofuran, Acetone, Hexachloroethane, Butyl Methyl Phthalate, Chloromethane, Hexachlorodibenzofuran, Butyl Benzyl Phthalate, Hydrogen Sulfate, Dichlorvos, Dibenzofurans, Chlorinated, Ortho-Cresol, Hexachlorodibenzo-P-Dioxin, Vanadium, N-Nitrosodimethylamine, 1,2,4-Trichlorobenzene, Perfluorononanoic Acid, Ethoprop, Tetrachlorodibenzo-P-Dioxin, Bromoform, Pentachlorodibenzofuran, 1,3-Dichlorobenzene, Pentachlorodibenxzo-P-Dioxin, N-Nitrosodiephenylamine, 2,4-Dichlorophenol, 2,3-Dimethylnaphthalene, 2,3,7,8-Tetrachlorodibenzofuran, 1,4-Dioxane, FLUORINE, Nitrite, Cesium-137, Chromic Acid, 2-Butanone, 1,2-Dichloroethylene, Potassium-40, Dinitrotoluene, Nitrate, Formaldehyde, Silver, Coal Tar Pitch, Thorium-227, Arsenic Acid, Arsenic Trioxide, Benzopyrene, TechnicalChlordane, Strobane, 4-Aminobiphenyl, Pyrethrum, Arsine, Dimethoate, Bis(Chloromethyl) Ether, Carbophenothion, Alpha-Chlordene, Iodine-131, Mercuric Chloride, Sodium Arsenite, Uranium-233, Antimony, Dibromochloromethane, Cresols, Dichlorobenzene, 2,4-D, 2-Chlorophenol, Butylate, Dimethyl Formamide, Phenanthrene, 4-Nitrophenol, Diuron, Tetrachloroethane, Dichloroethane, Ethyl Ether, Dimethylaniline, CIS-1,3-Dichloropropene, Pyrene, 1,2,3,4,6,7,8-Heptachlorodibenzo-P-Dioxin, Phosphine, Trichlorobenzene, 2,6-Dinitrotoluene, Fluoride Ion, Pentaerythritol Tetranitrate, 1,2,3,4,6,7,8-Heptachlorodibenzofuran, Trans-1,3-Dichloropropene, Acrylonitrile, Bis(2-Ethylhexyl)Adipate, Carbazole, 2-Chloroaniline, Metolachlor, CIS-1,2-Dichloroethene, 1,2,3-Trichloropropene; and



- c. Acetaldehyde, Acrolein (2-Popenal), Acrylyl Chloride, Allyl Chloride, Allylamine, Alkylaluminum, Ammonia, Anhydrous, Ammonia solutions, Ammonium Perchlorate, Ammonium, Arsine (also called Arsenic Hydride), Asbestos; and
- d. Bis(Chloromethyl)Ether, Boron Trichloride, Boron Trifluoride, Bromine, Bromine Chloride, Bromine Pentafluoride, Bromine Trifluoride, 1-Bromopropane, 3-Bromopropyne (also called Propargyl Bromide), Butyl Hydroperoxide, Butyl Perbenzoate; and
- e. Carbon Tetrachloride, Carbonyl Chloride(see Phosgene), Carbonyl Fluoride, Cellulose Nitrate, Chlorine, Chlorine Dioxide, Chlorine Pentafluoride, Chlorine, Trifluoride Chlorodiethylaluminum (also called Diethylaluminum Chloride), 1-Chloro-2,4-Dinitrobenzene, Chloromethyl Methyl Ether, Chloropicrin, Chloropicrin and Methyl, Bromide mixture, Chloropicrin and Methyl Chloride mixture, Cumene Hydroperoxide, Cyanogen, Cyanogen Chloride, Cyanuric Fluoride, Cyclic Aliphatic Bromide Cluster (HBCD); and
- f. Diacetyl Peroxide, Diazomethane, Dibenzoyl Peroxide, Diborane, Dibutyl Peroxide, Dichloro Acetylene, Dichlorosilane, Diethylzinc, Diisopropyl Peroxydicarbonate, Dilauroyl Peroxide, Dimethyldichlorosilane, Dimethylhydrazine, 1,1-, Dimethylamine, Anhydrous, 2,4-Dinitroaniline, 1, 4 Dioxane; and
- g. Ethyl Methyl Ketone Peroxide (also Methyl Ethyl Ketone Peroxide), Ethyl Nitrite, Ethylamine, Ethylene Fluorohydrin, Ethylene Oxide, Ethyleneimine; and
- h. Fluorine, Formaldehyde (Formalin), Furan; and,
- i. Hexafluoroacetone, Hydrochloric Acid, Anhydrous Hydrofluoric Acid, Anhydrous Hydrogen Bromide, Hydrogen Chloride, Hydrogen Cyanide, Anhydrous, Hydrogen Fluoride, Hydrogen Peroxide, Hydrogen Selenide, Hydrogen Sulfide, Hydroxylamine; and
- j. Iron, Isopropylamine, Ketene; and,
- k. Methacrylaldehyde, Methacryloyl Chloride, Methacryloyloxyethyl Isocyanate, Methyl Acrylonitrile, Methylamine, Anhydrous, Methyl Bromide, Methyl Chloride, Methyl Chloroformate, Methyl Ethyl Ketone Peroxide, Methyl Fluoroacetate, Methyl Fluorosulfate, Methyl Hydrazine, Methyl Iodide, Methyl Isocyanate, Methyl Mercaptan, Methyl Vinyl Ketone, Methyltrichlorosilane, N-Methylpyrrolidone; and
- l. Nickel Carbonyl (Nickel Tetracarbonyl), Nitric Acid, Nitric Oxide, Nitroaniline, Nitroaniline, Nitromethane, Nitrogen Dioxide, Nitrogen Oxides (NO; NO<sub>2</sub>; N<sub>2</sub>O<sub>4</sub>; N<sub>2</sub>O<sub>3</sub>), Nitrogen Tetroxide (also called Nitrogen Peroxide), Nitrogen Trifluoride, Nitrogen Trioxide; and
- m. Oleum (also called Fuming Sulfuric Acid), Osmium Tetroxide, Oxygen Difluoride (Fluorine Monoxide), Ozone; and
- n. Pentaborane, Pentacarbonyl, Peracetic Acid (also called Peroxyacetic Acid), Perchloric Acid, Perchloromethyl Mercaptan, Perchloryl Fluoride, Peroxyacetic Acid (also called Peracetic Acid), Phosgene (also called Carbonyl Chloride), Phosphine (Hydrogen Phosphide), Phosphorus Oxychloride (also called Phosphoryl Chloride), Phosphorus Trichloride, Phosphoryl Chloride (also called Phosphorus Oxychloride), Pigment Violet 29, Propargyl Bromide, Propyl Nitrate; and
- o. Sarin, Selenium Hexafluoride, Stibine (Antimony Hydride), Sulfur Dioxide (liquid), Sulfur Pentafluoride, Sulfur Tetrafluoride, Sulfur Trioxide (also called Sulfuric Anhydride), Sulfuric Anhydride (also called Sulfur Trioxide); and
- p. Tellurium Hexafluoride, Tetrafluoroethylene, Tetrafluorohydrazine, Tetramethyl Lead, Thionyl Chloride, Trichloro (chloromethyl), Silane, Trichloro (dichlorophenyl), Silane, Trichlorosilane, Trifluorochloroethylene, Trimethoxysilane; and
- q. all substances specifically listed, identified, or described by one or more of the following references: **Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Priority List Hazardous Substances** (1997 and all subsequent editions), **Agency For Toxic Substances And Disease Registry ToxFAQs<sup>f</sup>**, **U.S. Environmental Protection Agency EMCI Chemical References Complete Index**, **U.S Occupational Safety and Health Administration List of Hazardous Chemicals**, **Resource Conservation and Recovery Act (RCRA)**, and/or identified on the F, K, P and U Lists found in Title 40 of the Code of Federal Regulations (CFR) sections **h 261.31**, **h 261.32**, and **h 261.33**. and/or all successive editions, updates, and successors of such references concerning potentially harmful substances. Substances identified as examples above or by the referenced lists also include materials or substances to be discarded, recycled, reconditioned or reclaimed.

This definition of "pollutants" applies whether or not such solid, liquid, gaseous, electromagnetic or thermal irritant or contaminant is your product or products used by or for you, and/or is an integral part of or incidental to your business or operations or has any function in your business, operations, premises, site, or location.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MISSOURI CHANGES - POLLUTION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

MISSOURI POLLUTION EXCLUSION - NAMED PERIL LIMITED EXCEPTION FOR A SHORT-TERM POLLUTION EVENT - **CG 32 50**

MISSOURI POLLUTION EXCLUSION - LIMITED EXCEPTION FOR A SHORT-TERM POLLUTION EVENT - **CG 32 51**

TOTAL POLLUTION EXCLUSION ENDORSEMENT - **CG 21 49**

TOTAL POLLUTION EXCLUSION WITH HOSTILE FIRE EXCEPTION ENDORSEMENT - **CG 21 55**

TOTAL POLLUTION EXCLUSION WITH BUILDING HEATING, COOLING, AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND HOSTILE FIRE EXCEPTION ENDORSEMENT - **CG 21 65**

A. The following is added to Subparagraph **f.**, **Pollution** of Paragraph **2.**, **Exclusions** under **Section I - Coverage A - Bodily Injury and Property Damage Liability** or to any amendment to or replacement thereof:

(3) Paragraph **2. f. (1)** and **(2)** applies, but is not limited to, all insureds:

- a. Legally obligated to pay damages because of an "occurrence" resulting from continuous or repeated exposure to substantially the same generally harmful conditions, or
- b. Responsible for damages resulting from an "occurrence" caused by an isolated, infrequent, or unexpected event.

B. The following is added to Subparagraph **m.**, **Pollution** of Paragraph **2.**, **Exclusions** under **Section I - Coverage B - Personal and Advertising Injury Liability** or to any amendment to or replacement thereof:

This exclusion applies, but is not limited to, all insureds:

- (1) Legally obligated to pay damages because of an "occurrence" resulting from continuous or repeated exposure to substantially the same generally harmful conditions, or
- (2) Responsible for damages resulting from an "occurrence" caused by an isolated, infrequent, or unexpected event.

C. The following replaces Paragraph **15.** of **Section V - Definitions**:

**15. "Pollutants"** mean any solid, liquid, gaseous, bacterial, fungal, electromagnetic, thermal or other substance that can be toxic or hazardous, cause irritation to animals or persons and/or cause contamination to property and the environment including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Specific examples identified as pollutants include, but are not limited to, diesel, kerosene, and other fuel oils, gasoline, butane, propane, natural gas, and other fuels, brake fluid, transmission fluid, and other hydraulic fluids, ethylene glycol, methanol, ethanol, isopropyl alcohol, and propylene glycol, and other antifreeze additives, grease, tar, petroleum distillates, and other petroleum products, carbon monoxide, and other exhaust gases, stoddard solvent, mineral spirits, and other solvents, chromium compounds, emulsions/emulsifiers, naphtha, tetrachloroethylene, perchloroethylene (PERC), trichloroethylene (TCE), methylene chloroform, and other dry cleaning chemicals, methyl isobutyl ketone, methyl ethyl ketone (MEK), n-butyl acetate, 2-butoxyethanol, hexylene glycol, peroxides, freon, polychlorinated biphenyl (PCB), CFC113, chlorofluorocarbons, chlorinated hydrocarbons, adhesives, pesticides, insecticides, barium, 1,2-Dichloroethylene, ethylene dichloride, dichloromethane, methylene chloride, ethylbenzene, lead, Mercury, Selenium, sulfate, xylene, silica, sewage, and industrial waste materials and all substances specifically listed, identified, or described by one or more of the following references: **Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Priority List of Hazardous Substances** (1997 and all subsequent editions), **Agency For Toxic Substances And Disease Registry ToxFAQs™**, and/or **U.S. Environmental Protection Agency EMCI Chemical References Complete Index**. Substances identified as examples above or by the referenced lists also include materials or substances to be discarded, recycled, reconditioned or reclaimed.

This definition of "pollutants" applies whether or not such solid, liquid, gaseous, bacterial, fungal, electromagnetic or thermal irritant or contaminant is your product or products used by or for you, and/or is an integral part of or incidental to your business or operations or has any function in your business, operations, premises, site, or location.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES - GUARANTY ASSOCIATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 ELECTRONIC DATA LIABILITY COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

### **MISSOURI PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION COVERAGE LIMITATIONS**

- A.** Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
- B.** The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:
  1. Claims covered by the Association do not include a claim by or against an insured of

an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent; provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.

2. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000. However, the Association will not:
  - (1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or
  - (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES - BINDING ARBITRATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

If we and the insured do not agree whether coverage is provided under this Coverage Part for a claim made against the insured, both parties may, by mutual consent, agree in writing to arbitration of the disagreement.

If both parties agree to arbitrate, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, both parties must request that selection be made by a judge of a court having jurisdiction. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

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\*///CG 26 43 12 04

ISO Properties, Inc., 2003



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TEXAS LIABILITY PLUS ENDORSEMENT

Unless otherwise amended by separate endorsement this endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

### CONTENTS

1. EXPECTED OR INTENDED PROPERTY DAMAGE
2. BROADENED NON-OWNED WATERCRAFT
3. AMENDED SUPPLEMENTARY PAYMENTS
4. BROADENED DAMAGE TO PREMISES RENTED OR OCCUPIED BY YOU
5. ADDITIONAL INSURED - BROAD FORM VENDORS
6. ADDITIONAL INSURED - MANAGER OR LESSORS OF PREMISES
7. ADDITIONAL INSURED - LESSORS OF EQUIPMENT
8. EXTENDED NEWLY ACQUIRED OR FORMED ORGANIZATIONS AS INSURED
9. IMPROVED DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT CONDITION
10. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS
11. PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE
12. ELECTRONIC DATA LIABILITY
13. "MOBILE EQUIPMENT" REDEFINED

#### 1. EXPECTED OR INTENDED PROPERTY DAMAGE

**Exclusion 2.a. in SECTION I - COVERAGE A** is replaced by the following:

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

#### 2. BROADENED NON-OWNED WATERCRAFT

A. If Endorsement **CG 21 09**, **CG 21 10**, **CG 24 50** or **CG 24 51** is attached to the Policy, the following is added to Paragraph **2.g.(2)(b) - Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

Paragraph **2.g.(2)(b)** of **Section I - Coverages** is replaced by the following:

(b) A watercraft you do not own that is:

- (i) Less than 51 feet long; and
- (ii) Not being used to carry persons or property for a charge;

B. If Paragraph 2.A. does not apply, the following is added to Paragraph **2.g.(2) - Exclusions** under **SECTION I - COVERAGE** pertaining to non-owned watercraft, is changed to the following: This exclusion does not apply to:

(2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge.

#### 3. AMENDED SUPPLEMENTARY PAYMENTS

Paragraphs **b.** and **d.** of the **Supplementary Payments - Coverages A and B** section are changed as shown:

- b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$500 a day because of time off from work.





#### 4. BROADENED DAMAGE TO PREMISES RENTED TO YOU

- A. The paragraph immediately following **Exclusion 2.j.(6)** in **SECTION I - COVERAGE A**, is amended as follows:  
Paragraph (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire, smoke, lightning, explosion, water damage or sprinkler leakage) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.
- B. The last paragraph under **Exclusion 2** in **SECTION I - COVERAGE A**, is amended as follows:  
Exclusions c. through n. do not apply to damage by fire, smoke, lightning, explosion, water damage or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.
- C. **SECTION III - LIMITS OF INSURANCE** is amended as follows:  
Paragraph 6. is deleted and replaced with the following:  
6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, smoke, lightning, explosion, water damage or sprinkler leakage, while rented to you or temporarily occupied by you, with permission of the owner. Subject to all the terms of SECTION III - LIMITS OF INSURANCE, the Damage to Premises Rented To You Limit is the greater of:  
a. \$500,000; or  
b. The amount shown in the Declarations for Damage to Premises Rented To You Limit.
- D. Paragraph **4.b.(1)(a)(ii)** in **Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is replaced with the following:  
(ii) That is Fire, Smoke, Lightning, Explosion, Water Damage, or Sprinkler Leakage Insurance for premises while rented to you or temporarily occupied by you with the permission of the owner.
- E. Paragraph **9.a.** in **Section V - DEFINITIONS** is amended to read:  
a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, smoke, lightning, explosion, or water damage or sprinkler leakage to premises, while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract".

#### 5. ADDITIONAL INSURED - BROAD FORM VENDORS

- A. **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person(s) or organization(s) (referred to throughout this section as vendor) with whom you agreed, because of a written contract or agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.  
However:  
1. The insurance afforded to such vendor only applies to the extent permitted by law; and  
2. If coverage provided to the vendor is required by contract or agreement, the insurance afforded to such vendor will not be broader than that which you are required by the contract or agreement to provide for such vendor.
- B. With respect to the insurance afforded to these vendors, the following additional exclusions apply:  
1. The insurance afforded the vendor does not apply to:  
a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;  
b. Any express warranty unauthorized by you;  
c. Any physical or chemical change in the product made intentionally by the vendor;  
d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;  
e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;  
f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;



- g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
  - (1) The exceptions contained in Sub-paragraphs **d.** or **f.**; or
  - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- 2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
- 3. Provision **B.2.** does not apply to any vendor included as an insured by an endorsement issued by us and made a part of this Coverage Part.
- 4. This insurance does not apply if "bodily injury" or "property damage" included within the "products completed operations hazard" is excluded either by the provisions of the Coverage Part or by endorsement.
- C. With respect to the insurance afforded to these vendors, the following is added to **Section III - Limits Of Insurance:**  
 If coverage provided to the vendor is required by a contract or agreement, the most we will pay on behalf of the vendor is:
  - 1. The minimum amount of insurance required by the contract or agreement; or
  - 2. The amount of insurance available under the applicable Limits of Insurance shown in the Declarations;
 whichever is less.  
 This provision shall not increase the applicable Limits of Insurance shown in the Declarations.
- 6. **ADDITIONAL INSURED - MANAGER OR LESSORS OF PREMISES**
  - A. **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person(s) or organization(s) from whom you lease a building or premises when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be added as an additional insured on your policy. Such person(s) or organization(s) is an insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by some negligent act or omissions by you, your employees, your agents, or your subcontractors as a result of your occupancy, maintenance or use of that part of the premises leased to you, provided that:
    - 1. The "bodily injury", "property damage" or "personal and advertising injury" giving rise to liability occurs subsequent to the execution of the agreement; and
    - 2. The written agreement is in effect at the time of the "bodily injury", "property damage", "personal and advertising injury" for which coverage was sought.
 However:
    - 1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
    - 2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
  - B. Exclusions  
 This insurance does not apply to:
    - 1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
    - 2. Any structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) from which you lease a building or premises.
    - 3. Any premise for which coverage is excluded by endorsement.
    - 4. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the sole negligence of the additional insured or by those acting on behalf of the additional insured.
  - C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**  
 If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is:
    - 1. The minimum amount of insurance required by the contract or agreement; or

2. The amount of insurance available under the applicable Limits of Insurance shown in the Declarations;  
whichever is less.

This provision shall not increase the applicable Limits of Insurance shown in the Declarations.

**7. ADDITIONAL INSURED - LESSORS OF EQUIPMENT**

**A. SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person(s) or organization(s) from whom you lease equipment when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be added as an additional insured on your policy. Such person(s) or organization(s) is an insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

However, the insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

**B.** With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

The most we will pay on behalf of the additional insured is:

1. The minimum amount of insurance required by the contract or agreement; or
2. The amount of insurance available under the applicable Limits of Insurance shown in the Declarations;  
whichever is less.

This provision shall not increase the applicable Limits of Insurance shown in the Declarations.

**8. EXTENDED NEWLY FORMED OR ACQUIRED ORGANIZATIONS AS INSURED**

Paragraph 3. in **SECTION II - WHO IS AN INSURED** is deleted and replaced with the following:

**3.** Any organization you newly acquire or form, other than a partnership, or joint venture, and over which you maintain ownership or majority interest, will qualify as an insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization. No person or organization is an insured with respect to the conduct of any current or past partnership, or joint venture that is not shown as an insured in the Declarations.

**8. IMPROVED DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT CONDITION**

**Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

Paragraphs **e.** and **f.** are added to **2. Duties In the Event of Occurrence, Offense, Claim Or Suit**, as shown:

**e.** The requirement in Condition **2.a.** applies only when the "occurrence" or offense is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An "executive officer" or insurance manager, if you are a corporation.
- (4) A member or manager if the named insured is a limited liability company.

**f.** The requirement in Condition **2.b.** will not be breached unless the breach occurs after such claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An "executive officer" or insurance manager, if you are a corporation.
- (4) A member or manager if the named insured is a limited liability company.



**10. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS**

Condition 8. **Transfer Of Rights Of Recovery Against Others To Us** of **Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization which, before the loss, you have agreed in writing to waive your right of recovery.

This provision does not apply to any written contract formed or executed after performance has begun.

**11. PRIMARY AND NONCONTRIBUTORY**

Subparagraph a. **Primary Insurance** of Paragraph 4. **Other Insurance** of **Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended by the following additional paragraph:

However, this insurance is primary to and will not seek contribution from any other insurance available to a person or organization added as an additional insured under the terms of this Coverage Form or amendatory endorsement provided that:

- a. The person or organization is a Named Insured under such other insurance; and
- b. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

**12. ELECTRONIC DATA LIABILITY**

A. Exclusion 2.p. of **Coverage A - Bodily Injury And Property Damage Liability** in **Section I - Coverages** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

p. **Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data" that does not result from physical injury to tangible property.

However, this exclusion does not apply to liability for damage because of "bodily injury".

B. The following is added to Paragraph 2. **Exclusions** of **Coverage B - Personal And Advertising Injury Liability** in **Section I - Coverages**:

**2. Exclusions**

This insurance does not apply to:

**Access Or Disclosure Of Confidential Or Personal Information**

Damages arising out of:

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

B. The following paragraph is added to **SECTION III - LIMITS OF INSURANCE**

Subject to 5. above, we will pay up to \$50,000 for the loss of "electronic data" under Coverage A for "property damage" because of all loss of "electronic data" arising out of any one "occurrence". The limit does not increase the "occurrence" limit stated in the Declarations.

C. The following definition is added to the **Definitions** section:

"Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.



D. For the purposes of the coverage provided by this endorsement, the definition "property damage" in the **Definitions** section is replaced by the following:

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it.
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it; or
- c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate "electronic data" resulting from physical injury to tangible property. All such loss of "electronic data" shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

13. **"MOBILE EQUIPMENT" REDEFINED**

**Section V - DEFINITIONS** is amended as follows:

- a. Paragraph **12.f.(1)(a), (b), and (c)** of the "mobile equipment" definition does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TEXAS CHANGES

This endorsement modifies the insurance provided under the following:  
CYBERSECURE COVERAGE FORM

A. The following is added to the beginning of the CyberSecure Coverage Form:

**THIS CYBERSECURE COVERAGE IS WRITTEN ON A CLAIMS-MADE BASIS. PLEASE NOTE THAT DEFENSE COSTS ARE SUBJECT TO THE APPLICABLE LIMIT AND DEDUCTIBLE. SPECIFICALLY, DEFENSE COSTS ARE SUBJECT TO THE CYBER LIABILITY LIMIT SET FORTH IN THE CYBERSECURE COVERAGE DECLARATIONS. THIS MEANS THAT THE CYBER LIABILITY LIMIT MAY BE COMPLETELY EXHAUSTED BY DEFENSE COSTS. THE CYBER LIABILITY LIMIT APPLIES ON AN ANNUAL AGGREGATE BASIS.**

B. Paragraph **A.3. COVERED CAUSE OF LOSS** of **SECTION 1 - COMPUTER ATTACK AND CYBER EXTORTION** is deleted and replaced with the following:

3. Such "computer attack" is reported to us as soon as practicable, but in no event more than 90 days after the date it is first discovered by you.

C. Paragraph **A.2. CYBER LIABILITY - COVERED CAUSE OF LOSS** of **SECTION 2 - CYBER LIABILITY** is deleted and replaced with the following:

2. Such "cyber liability suit" is reported to us as soon as practicable, but in no event more than 90 days after the date it is first received by you.

D. Paragraph **A.5. EXCLUSIONS** of **EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS** is deleted and replaced with the following:

5. Your intentional or willful complicity in a covered loss event or your "reckless disregard" for the security of your computer system data.

E. Paragraph **B.2. Concealment of Fraud** of **EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS** is deleted and replaced with the following:

In accordance with **h** 705.003 and **h** 705.004 of the Texas Insurance Code this policy is voidable if you have intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

F. Paragraph **B.6.g. Duties in the Event of a "Cyber Attack"** of **EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS** is deleted and replaced with the following:

g. Send us a signed, sworn statement containing the information we request to investigate the claim. You must do this within 91 days after our request. We will supply you with the necessary forms.

G. Paragraph **B.7.b. Duties in the Event of a "Cyber Liability Suit"** of **EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS** is deleted and replaced with the following:

b. Provide us with written notice, as soon as practicable, but in no event more than 90 days after the date the "cyber liability suit" is first received by you.

H. Paragraph **B.8.b.2) Extended Reporting Periods** of **EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS** is deleted and replaced with the following:

b. Upon payment of an additional premium of set forth below, a Supplemental Extended Reporting Period of either 1 year or unlimited duration immediately following the effective date of "termination of coverage" in which to give to us written notice of a "cyber liability suit" of which you first receive notice during said Supplemental Extended Reporting Period for any propagation of malware, "denial of service attack", or if applicable, loss, release or disclosure of business data or electronic display of information occurring before the end of the coverage period for this CyberSecure coverage and which is otherwise covered by this CyberSecure coverage.



To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days of the effective date of "termination of coverage". The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

The additional premium for a 1 year Supplemental Extended Reporting Period shall be 100% of the full annual premium applicable to this CyberSecure coverage. The additional premium for a Supplemental Extended Reporting Period of unlimited duration shall be 500% of the full annual premium applicable to this CyberSecure coverage.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

**I. Paragraph B.9.b. Legal Action Against Us of EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS is deleted and replaced with the following:**

**b.** The action is brought within 2 years and 1 day after the date the "computer attack" is first discovered by you, or the date on which you first receive notice of a "cyber liability suit".

**J. The following is added to paragraph B. CONDITIONS of EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS:**

**Prompt Payment of Claims**

**1. Receipt of Notice of Claim**

**a.** Not later than the 15th day after the date we receive notice of a claim, we will:

- 1) acknowledge receipt of the claim;
- 2) commence any investigation of the claim; and
- 3) request from you all items, statements, and forms that we reasonably believe, at that time, will be required from you.

**c.** We may make additional requests for information if during the investigation of the claim the additional requests are necessary.

**d.** If the acknowledgment of receipt of a claim is not made in writing, we will make a record of the date, manner, and content of the acknowledgment.

**2. Notice of Acceptance or Rejection of Claim.**

**a.** Except as provided by Subsection c, we will notify you in writing of the acceptance or rejection of a claim not later than the 15th business day after the date we receive all items, statements, and forms required by us to secure final proof of loss.

**b.** If we reject the claim, the notice required by Subsection a. must state the reasons for the rejection.

**c.** If we are unable to accept or reject the claim within the period specified by Subsection a., we, within that same period, will notify you of the reasons that we need additional time. We will accept or reject the claim not later than the 45th day after the date we notify you under this subsection.

**3. Payment of Claim.**

**a.** Except as otherwise provided by this section, if we notify you under Subsection 2 that we will pay a claim or part of a claim, we will pay the claim not later than the fifth business day after the date notice is made.

**b.** If payment of the claim or part of the claim is conditioned on the performance of an act by you, we will pay the claim not later than the fifth business day after the date the act is performed.

**4. Delay in Payment of Claim.**

**a.** Except as otherwise provided, if we after receiving all items, statements, and forms reasonably requested and required under Subsection 1, delay payment of the claim for a period exceeding the period specified by applicable statutes or, if other statutes do not specify a period, for more than 60 days, we will pay damages and other items as provided by Texas Insurance Code Section 542.060.

**b.** Subsection a. does not apply in a case in which it is found as a result of arbitration or litigation that a claim received by us is invalid and should not be paid by us.

**K. The following is added to paragraph C. DEFINITIONS of EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS;**

"Reckless Disregard" means that:

**a.** The action or procedure is deliberate; and

**b.** The action or procedure entails either a certainty or a high probability of causing or allowing a "computer attack" or a "cyber liability suit".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
- 1.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  - 2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.





SPP 2505525 00

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** With regard to liability for Bodily Injury, Property Damage and Personal And Advertising Injury, unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Part requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit" will bar coverage under this Coverage Part.

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\*\*\*CG 01 03 06 06

ISO Properties, Inc. 2005

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS CHANGES - DUTIES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added to the Duties Condition:

We will notify the first Named Insured in writing of:

1. An initial offer to settle a claim made or "suit" brought against any insured ("insured") under this coverage. The notice will be given not later than the 10th day after the date on which the offer is made.
2. Any settlement of a claim made or "suit" brought against the insured ("insured") under this coverage. The notice will be given not later than the 30th day after the date of the settlement.

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\*\*\*IL0168-201203

**d** Insurance Services Office, Inc., 2011



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



SPP 2505525 00

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

MISSOURI-DISCLOSURE OF PREMIUM AND ESTIMATED  
PREMIUM FOR CERTIFIED ACTS OF TERRORISM  
COVERAGE (PURSUANT TO TERRORISM RISK  
INSURANCE ACT)

SCHEDULE

**SCHEDULE - PART I**

**Terrorism Premium (Certified Acts)**

(A) Premium through end of year (12/31/ ) \$

(B) Estimated Premium beyond the date specified above \$ Included in (A) above

(Refer to Paragraph D. in this endorsement.)

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):

All Coverage Parts shown on the declarations for which a Terrorism Premium is shown.

**Additional information, if any, concerning the terrorism premium:**

The premium shown in (A) above includes the:

- a. Premium from the Effective Date through 12/31/2020; and
- b. 1/1/2021 through the Expiration Date.

**SCHEDULE - PART II**

**Federal share of terrorism losses** 81 % Year: 20 19

(Refer to Paragraph B. in this endorsement.)

**Federal share of terrorism losses** 80 % Year: 20 20

(Refer to Paragraph B. in this endorsement.)

**NOTE:** The premium above is for certain losses resulting from certified acts of terrorism as covered pursuant to coverage provisions, limitations and exclusions in this policy. You should read the definition in your policy carefully, but generally speaking, "certified" acts of terrorism are acts that exceed \$5 million in aggregate losses to the insurance industry and which are subsequently declared by the U.S. Secretary of the Treasury as a certified terrorist act under the Terrorism Risk Insurance Act. Some losses resulting from certified acts of terrorism are not covered. Read your policy and endorsements carefully.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.



**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under that Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**D. Possibility Of Additional Or Return Premium**

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act. The federal program established by the Act is scheduled to terminate at the end of the year specified in Part I of the Schedule of this endorsement, unless extended by the federal government. If the federal program terminates or if the level or terms of federal participation change, the estimated premium shown in (B) in Part I of the Schedule may not be appropriate.

If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium shown in (B) in Part I of the Schedule and will charge additional premium or refund excess premium, if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM

### **Schedule**

Premises:

**\*AS PER THE LOCATION ADDRESSES SHOWN IN THE SCHEDULE OF PREMISES  
ON THE COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS**

Project:

This insurance applies only to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule and operations necessary or incidental to those premises; or
2. The project shown in the Schedule.

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\*\*\*CXS 21 44 07 98

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## COMMERCIAL UMBRELLA COVERAGE FORM

PLEASE READ THIS POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS. WE HAVE NO DUTY TO PROVIDE COVERAGE UNLESS THERE HAS BEEN FULL COMPLIANCE WITH ALL THE CONDITIONS - SECTION V - OF THIS POLICY.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us", and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section III - Who Is An Insured. Other words and phrases that appear in quotation marks have special meaning. Refer to Section VI - Definitions.

### Section I Insuring Agreements

In consideration of the payment of premium and in reliance upon representations you made to us during the process of obtaining this insurance and subject to the Limit of Insurance shown in the Declarations, and all the exclusions, terms and conditions of this policy, we agree with you as follows:

#### Coverage A Bodily Injury And Property Damage Liability

##### 1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right to associate with the "underlying insurer" and the insured to defend against any "suit" seeking those damages. But:
  - (1) The amount we will pay for "ultimate net loss" is limited as described in Section IV - Limit Of Insurance;
  - (2) At our discretion, we may investigate any "occurrence" and settle any resulting "claim" or "suit";
  - (3) We have a right and duty to defend the insured against any "suits" to which this insurance applies:
    - (a) But which are not covered by any "underlying insurance" shown in the Declarations or by any other primary policies that may apply; or
    - (b) If the applicable limit of "underlying insurance" is exhausted.

However, we will have no duty to defend the insured against any "suits" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply; and
  - (4) Both our right and duty to defend any existing or future "suits" end when we have exhausted the applicable Limit of Insurance in payment of judgments or settlements under Coverages A and B.

No other obligation or liability to pay or perform acts or services is covered unless explicitly provided for under Section II - Defense.
- b. This insurance applies to "bodily injury" or "property damage" which may be subject to an applicable "retained limit" when shown in the Declarations. If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "bodily injury" or "property damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of Underlying Insurance.
- c. It is agreed that this insurance only applies if:
  - (1) The "bodily injury" or "property damage" occurs during the policy period of this policy;
  - (2) With respect to your liability (other than under a contract) for "bodily injury" to your "employees" arising out of and in the course of their employment by you:
    - (a) Any "bodily injury" by disease is caused or aggravated by the conditions of that employment; and
    - (b) An "employee's" last day of last exposure to conditions causing or aggravating such disease occurs during the policy period of this policy; and
  - (3) The "bodily injury" or "property damage" is caused by an "occurrence", and such "occurrence" takes place in the "coverage territory".
  - (4) Prior to the policy period, no insured listed under Paragraph 1. of Section III - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- d. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section III - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.



- e. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section III - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
  - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- f. "Ultimate net loss" because of "bodily injury" includes damages sought by any person or organization for care or loss of services resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected Or Intended Injury

"Bodily injury" or "property damage" either expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property;

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That you would have in the absence of the contract or agreement; or
- (2) Assumed by you in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than you will be deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract";
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged; and
  - (c) The indemnitor insured's "underlying insurance" also deems these expenses to be damages;

### c. Any obligation of the insured under:

#### (1) Workers' Compensation And Similar Laws

Any workers' compensation, unemployment compensation or disability benefits law or any similar law.

#### (2) E.R.I.S.A.

The Employee's Retirement Income Security Act of 1974 (E.R.I.S.A.), and amendments thereto or any similar federal, state, or local statute.

### d. Employers Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister, or other dependents of that "employee" as a consequence of d.(1) above.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

However, this exclusion d.(1) and d.(2) applies only with respect to:

- (1) "Bodily injury" to any person in work subject to the Longshore and Harbor Workers Compensation Act (33 USC Sections 901-950), the Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173), the Outer Continental Shelf Lands Act (43 USC Sections 1331-1356), the Defense Base Act (42 USC Sections 1651-1654), the Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942), and any other federal workers or workmen's compensation law or other federal occupational disease law, or any amendments to these laws;
- (2) "Bodily injury" to any person in work subject to the Federal Employers' Liability Act (45 USC Sections 51-60), any other federal laws obligating an employer to pay damages to an "employee" due to "bodily injury" arising out of or in the course of employment, or any amendments to those laws;
- (3) "Bodily injury" to a master or member of the crew of any vessel;
- (4) Fines or penalties imposed for violation of federal or state law;

- (5) Damages payable under the Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872) and under any other federal law awarding damages for violation of those laws or regulations issued there under, and any amendments to those laws;
- (6) Punitive or exemplary damages because of "bodily injury" to any "employee" employed in violation of law;
- (7) "Bodily injury" to an "employee" while employed in violation of law with the insured's actual knowledge or the actual knowledge of any of your "executive officers"; and
- (8) "Bodily injury" to an "employee" if such employment is subject to the workers compensation laws of the states of Massachusetts, Missouri, New Jersey, New York or any other state which requires unlimited Employers Liability coverage in conjunction with primary Workers Compensation policies.
- (9) "Defense expense" for allegations of an employer's intentional injury to employees that results in "bodily injury" whether or not the Ohio Employers Intentional Injury Defense Expense is written as "underlying insurance".

This exclusion **d.** applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of such injury.

With respect to your liability (other than under a contract or agreement) for "bodily injury" to your "employees" arising out of and in the course of their employment by you, exclusions **f.**, **g.**, and **h.** do not apply.

**e. Employment-related Practices**

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Failure to promote an employee;
  - (c) Discipline, demotion, negligent evaluation or negligent reassignment;
  - (d) Termination of that person's employment;
  - (e) Employment-related practices, policies, acts or omissions, including, without limitation, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
  - (f) Oral or written publication of materials that slanders, defames, or libels an "employee" or violates or invades an "employee's" right of privacy.
- (2) The spouse, child, parent, brother or sister, or any other dependents of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in paragraph **e.(1)** above is directed.

This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of such "bodily injury".

**f. Pollution:**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of "pollutants":
  - (a) That are, or ever were, contained in any property that is, or ever was:
    - (i) Being transported or towed by, handled, or handled for movement into, onto or from any "auto";
    - (ii) Otherwise in the course of transit by or on behalf of the insured; or
    - (iii) Being stored, disposed of, treated or processed in or upon any "auto";
  - (b) At or from any premises, site or location which is or was at any time, owned or occupied by, or rented or loaned to, any insured. However, this subparagraph **f.1.(b)** does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.
    - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your applicable "underlying insurance" as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than the additional insured; or
    - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";



- (c) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (d) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - (i) Any insured; or
  - (ii) Any person or organization for whom you may be legally responsible; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph **f.(1)(e)** does not apply to:
  - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment", any "auto" covered by applicable "underlying insurance" or the parts of either, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
  - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire."
- (f) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) "Claim" or "suit" by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph (2) does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

Subparagraph (a) of part (1) of this exclusion **f.** does not apply if any applicable "underlying insurance" shown in the Schedule of Underlying Insurance provides coverage at the full limits of liability shown therein for such losses as are described in subparagraph (a) of part (1) for any "autos" involved in such operations.

- (3) Exceptions:
  - (a) Paragraphs **f.(1)(c)** through **f.(1)(f)** of this exclusion do not apply to pollutants that are not in or upon a "covered auto" if:
    - (i) The pollutants or any property in which the pollutants are contained are upset, overturned or damaged as a result of the maintenance or use of a "covered auto"; and
    - (ii) The discharge, dispersal, release or escape of the pollutants is caused directly by such upset, overturn or damage.

**g. Aircraft Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or chartered, rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrong doing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of aircraft, or watercraft that is owned or operated by or rented or loaned to any insured.



This exclusion does not apply to:

- (1) Watercraft while ashore on premises you own or rent;
- (2) Watercraft you do not own that is:
  - (a) Less than 51 feet long or the extent such coverage is provided by the "underlying insurance" listed in the Schedule of Underlying Insurance if greater; and
  - (b) Not being used to carry persons or property for a charge; or
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (4) Aircraft (other than "unmanned aircraft") that is:
  - (a) Chartered by, loaned to, or hired by you with a paid crew; and
  - (b) Not owned by any insured; or
- (5) With the exception of Paragraph **g.(4)** above, the extent that valid "underlying insurance" for aircraft (other than "unmanned aircraft", "unmanned aircraft" or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

**h. Racing Activities**

"Bodily injury" or "property damage" arising out of the use of any "mobile equipment" or "auto" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.

**i. War**

"Bodily injury" or "property damage" however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

- (1) Property:
  - (a) You own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration, or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property; or
  - (b) Owned or transported by the insured and arising out of the ownership, maintenance or use of a "covered auto".
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of any insured;
- (5) That particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired, or replaced because "your work" was incorrectly performed on it.

Paragraph **j.(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **j.(3)**, **j.(4)**, **j.(5)** and **j.(6)** of this exclusion do not apply to liability assumed under a railroad sidetrack agreement.

Paragraphs **j.(3)**, and **j.(4)** of this exclusion do not apply to liability assumed under a written Trailer Interchange agreement.

Paragraph **j.(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

If such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury."

**p. Asbestos**

- (1) "Bodily injury" or "property damage" arising out of, resulting from, caused by, or contributed to:

- (a) Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;
- (b) The use of asbestos in constructing or manufacturing any goods, product or structure;
- (c) The removal of asbestos from any goods, product or structure;
- (d) The manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos;

- (2) Any damages or any loss, cost or expense arising out of any claim or suit by or on behalf of any governmental authority requirement that any insured or any other person or entity should be, or should be responsible for:

- (a) Assessing the presence, absence or amount or effects of asbestos;
- (b) Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, abating, disposing of or mitigating asbestos; or
- (c) Responding to asbestos in any way other than as described in subparagraphs (1) and (2) above.

- (3) Any actual or alleged negligence in hiring, training, supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with actions described in subparagraphs (1) and (2) of this exclusion; or

- (4) Any obligation to share damages with or repay someone else who must pay damages in connection with any of the subsections above.

**q. Lead**

"Bodily injury" or "property damage" arising out of any form of lead or lead compounds. In addition, this insurance does not apply to any loss, cost or expense arising out of:

- (1) Any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of lead or lead compounds;
- (2) Any "claim" or "suit" by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of lead or lead compounds in any form;
- (3) Any actual or alleged negligence in hiring, training, supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with lead or lead compounds; or
- (4) Any obligation to share damages with or repay someone else who must pay damages in connection with lead or lead compounds.

**r. Professional Services**

"Bodily injury", "property damage", acts, errors or omissions, or "wrongful acts" arising out of the rendering of or failure to render any professional service. With exception of Pre-funded Funeral Services addressed under exclusion 2.z. below, this includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (3) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;



- (4) Engineering services, including related supervisory or inspection services;
- (5) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;
- (6) Any health or therapeutic service treatment, advice or instruction;
- (7) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (8) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (9) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (10) Body piercing services;
- (11) Services in the practice of pharmacy; but this exclusion does not apply if you are a retail druggist or your operations are those of a retail drugstore;
- (12) Law enforcement or firefighting services; and
- (13) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.
- (14) Printing or publishing services;
- (15) Insurance and insurance related services, including placement and sales of insurance products, insurance consulting, premium financing, notarizing, claim adjusting and claims administration, loss control services, appraising real or personal property, sale of mutual funds or variable annuities, real estate services including the ownership, use or transfer of real property.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", involved the rendering of or failure to render any professional service.

This exclusion does not apply to the extent that valid "underlying insurance" for the professional services described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

**s. Employee Benefits Liability**

Any obligation arising out of the administration of any employee benefit plan.

**t. Directors, Officers, and Trustees Liability**

Any "wrongful act" of any director, "executive officer", or trustee of any insured in the discharge or performance of their duties as such.

**u. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol.

If the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion **u.** applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

**v. Nuclear Energy**

"Bodily injury" or "property damage":

- (1) With respect to which an insured under this policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability;

- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which:
- (a) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
  - (b) The insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
- (3) Resulting from the "hazardous properties" of "nuclear material", if:
- (a) The "nuclear material":
    - (i) Is at any "nuclear facility" owned by, or operated by or on behalf of, an insured; or
    - (ii) Has been discharged or dispersed therefrom;
  - (b) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - (c) The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this subparagraph (c) applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this exclusion:

- (1) "Hazardous properties" include radioactive, toxic or explosive properties;
- (2) "Nuclear material" means "source material", "special nuclear material" or "by-product material";
- (3) "Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
- (4) "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
- (5) "Waste" means any waste material:
  - (a) Containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and
  - (b) Resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility";
- (6) "Nuclear facility" means:
  - (a) Any "nuclear reactor";
  - (b) Any equipment or device designed or used for:
    - (i) Separating the isotopes of uranium or plutonium;
    - (ii) Processing or utilizing "spent fuel"; or
    - (iii) Handling, processing or packaging "waste";
  - (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
  - (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;
- (7) "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- (8) "Property damage" includes all forms of radioactive contamination of property.

**w. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**x. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;



- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**y. Auto Coverages**

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance, use "loading or unloading", or entrustment to others of any "auto" which is not a "covered auto"; or
- (2) Any loss, cost or expense payable under or resulting from any first-party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law.

**z. Pre-Funded Funeral Services**

"Bodily injury", "property damage", acts, errors, or omissions, or "wrongful acts" arising out of consultation for, marketing or selling of insurance or non-insurance products for pre-funded funeral services.

**aa. Data Breach or Compromise**

- (1) "Bodily injury" or "property damage" arising out of the loss, theft, release, accidental release, publication, accidental publication, disposal, or abandonment of "personally identifying information":
  - (a) Of a current, former or prospective customer, client, member, owner, partner, director, stockholder, employee or any other person;
  - (b) That is in the care, custody or control of a third party to which you have directly or indirectly turned over such information for any reason.
- (2) The exclusion described in **aa.(1)** above also applies:
  - (a) To any demand, action, imposed cost or expense brought by or on behalf of an organization, business, institution, governmental entity or any other party.
  - (b) If you aggregate or sell "personally identifying information" about individuals as part of your business; and
  - (c) If you store, process, transmit or transport records that include "personally identifying information" of individuals for another entity;
- (3) "Personally identifying information" means information that could be used to commit fraud or other illegal activity involving the credit or identity of an individual. This includes but is not limited to Social Security numbers or account numbers correlated with names and addresses.

**Coverage B Personal And Advertising Injury Liability**

**1. Insuring Agreement**

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "personal and advertising injury" to which this insurance applies. We will have the right to associate with the "underlying insurer" and the insured to defend against any "suit" seeking those damages. But:
  - (1) The amount we will pay for the "ultimate net loss" is limited as described in Section **IV** - Limit Of Insurance;
  - (2) At our discretion, we may investigate any offense and settle any resulting "claim" or "suit";
  - (3) We have a right and duty to defend the insured against any "suits" to which this insurance applies:
    - (a) But which are not covered by any "underlying insurance" shown in the Declarations or by any other primary policies that may apply; or
    - (b) If the applicable limit of "underlying insurance" is exhausted.
 However, we will have no duty to defend the insured against any "suits" seeking damages for "personal and advertising injury" to which this insurance does not apply; and
  - (4) Both our right and duty to defend any existing or future "suits" end when we have exhausted the applicable Limit of Insurance in payment of judgments or settlements under Coverages **A** and **B**. No other obligation or liability to pay or perform acts or services is covered unless explicitly provided for under Section **II** - Defense.
- b. This insurance applies to "bodily injury" or "property damage" which may be subject to an applicable "retained limit" when shown in the Declarations. If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "bodily injury" or "property damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of Underlying Insurance.
- c. This insurance applies only to "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

**2. Exclusions**

This insurance does not apply to:

**a. "Personal and advertising injury"****(1) Knowing Violation Of Rights Of Another**

Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";

**(2) Material Published With Knowledge Of Falsity**

Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity;

**(3) Material Published Prior To Policy Period**

Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period;

**(4) Criminal Acts**

Arising out of a criminal act committed by or at the direction of the insured;

**(5) Contractual Liability**

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to:

(a) Liability for damages that you would have in the absence of the contract or agreement.

(b) Liability for false arrest, detention, or imprisonment assumed by you in a contract or agreement.

**(6) Breach Of Contract**

Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";

**(7) Quality Or Performance Of Goods - Failure To Conform To Statements**

Arising out of the failure of goods, products or services to conform to any statement of quality or performance made in your "advertisement";

**(8) Wrong Description Of Prices**

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";

**(9) Infringement Of Copyright, Patent, Trademark Or Trade Secret**

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**(10) Insureds In Media And Internet Type Businesses**

Committed by an insured whose business is:

(a) Advertising, broadcasting, publishing or telecasting;

(b) Designing or determining content of web-sites for others; or

(c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **17.a. b. and c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**(11) Electronic Chatrooms Or Bulletin Boards**

Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**(12) Unauthorized Use Of Another's Name Or Product**

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**(13) Pollution**

(a) Arising out of the actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of "pollutants" at any time; or

(b) Any loss, cost or expense arising out of any:

(i) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to, or assess the effects of, "pollutants"; or

(ii) "Claim" or "suit" by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".



**(14) Asbestos**

Arising out of:

- (a) Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;
- (b) The use of asbestos in constructing or manufacturing any good, product or structure;
- (c) The removal of asbestos from any good, product or structure;
- (d) The manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos;
- (e) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (14) (a) through (14) (d) of this exclusion; or
- (f) Any obligation to share damages with or repay someone else who must pay damages in connection with parts (14) (a) through (14) (e) of this exclusion.

**(15) Lead**

Arising out of any form of lead or lead compounds. In addition, any loss, cost or expense arising out of:

- (a) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of lead or lead compounds;
- (b) "Claim" or "suit" by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of lead or lead compounds in any form;
- (c) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with lead or lead compounds; or
- (d) Any obligation to share damages with or repay someone else who must pay damages in connection with lead or lead compounds.

**(16) Professional Services**

Arising from acts, errors, or omissions or "wrongful acts" in resulting from the rendering of or failure to render any professional service. With exception of Pre-funded Funeral Services addressed under exclusion **2.a.(21)** below, this includes but is not limited to:

- (a) Legal, accounting or advertising services;
- (b) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- (c) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (d) Engineering services, including related supervisory or inspection services;
- (e) Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;
- (f) Any health or therapeutic service treatment, advice or instruction;
- (g) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- (h) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- (i) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (j) Body piercing services;
- (k) Services in the practice of pharmacy; but this exclusion does not apply if you are a retail druggist or your operations are those of a retail drugstore;
- (l) Law enforcement or firefighting services; and
- (m) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.
- (n) Printing or publishing services;
- (o) Insurance and insurance related services, including placement and sales of insurance products, insurance consulting, premium financing, notarizing, claim adjusting and claims administration, loss control services, appraising real or personal property, sale of mutual funds or variable annuities, real estate services including the ownership, use or transfer of real property.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", involved the rendering of or failure to render any professional service.

This exclusion does not apply to the extent that valid "underlying insurance" for the professional services described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

**(17) Directors, Officers, and Trustees**

Arising out of any "wrongful act" of any director, "executive officer", or trustee of any insured in the discharge or performance of their duties as such.

**(18) Employment-Related Practices**

To:

- (a) A person arising out of any:
  - (i) Refusal to employ that person;
  - (ii) Failure to promote an employee;
  - (iii) Discipline, demotion, negligent evaluation or negligent reassignment;
  - (iv) Termination of that person's employment;
  - (v) Employment-related practices, policies, acts or omissions such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
  - (vi) Oral or written publication of materials that slanders, defames, or libels an "employee" or violates or invades an "employee's" right of privacy.
- (b) The spouse, child, parent, brother or sister, or any other dependents of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in paragraph **(18)(a)** of this exclusion were directed.
- (c) This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of such "personal and advertising injury".

**(19) War**

However caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**(20) Distribution Of Material In Violation Of Statutes Recording and Distribution Of Material Or Information In Violation Of Law**

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law, or
- (b) The CAN SPAM Act of 2003, including any amendment of or addition to such law, or
- (c) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (d) Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of material or information.

**(21) Pre-Funded Funeral Services**

Caused by acts, errors, or omissions, or "wrongful acts" arising out of the consultation for, marketing, or selling of insurance products for pre-funded funeral services.

**(22) Data Breach or Compromise**

- (a) Arising out of the loss, theft, release, accidental release, publication, accidental publication, disposal, or abandonment of "personally identifying information":
  - (i) Of a current, former or prospective customer, client, member, owner, partner, director, stockholder, employee or any other person.
  - (ii) That is in the care, custody or control of a third party to which you have directly or indirectly turned over such information for any reason.
- (b) The exclusion described in (a) also applies:
  - (i) To any demand, action, imposed cost or expense brought by or on behalf of an organization, business, institution, governmental entity or any other party;
  - (ii) If you aggregate or sell "personally identifying information" about individuals as part of your business; and



(iii) If you store, process, transmit or transport records that include "personally identifying information" of individuals for another entity;

(c) "Personally identifying information" means information that could be used to commit fraud or other illegal activity involving the credit or identity of an individual. This includes but is not limited to Social Security numbers or account numbers correlated with names and addresses.

## Section II Defense

1. When we have the duty to defend, or we investigate or settle any offense, "occurrence", "claim" or "suit", and then only to the extent that "underlying insurance" is not responsible for the costs shown below in items **a.** through **f.**, we will pay on behalf of the insured:
  - a.** Up to \$250 for cost of bail bonds required because of accidents or traffic law violations related to an accident arising out of the use of any vehicle to which this policy applies. We do not have to furnish these bonds.
  - b.** The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
  - c.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of any "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
  - d.** All costs taxed against the insured in any "suit" we defend.
  - e.** "Pre-judgment interest" awarded against the insured on that part of any judgment covered under this policy. If we offer the applicable Limit of Insurance in settlement of a "claim" or "suit", we will not pay for any "pre-judgment interest" imposed or earned after the date of such offer.
  - f.** All interest earned on that part of any judgment within the Limit of Insurance after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of any judgment that is within the applicable Limit of Insurance.
2. Payments under this section of the policy, as well as payments for all expenses we incur, will not reduce the Limit of Insurance.
3. When we have the right but not the duty to defend the insured and elect to participate in the defense, we will pay our own expenses but will not contribute to the expenses of the insured or the "underlying insurer".
4. If we defend you against a "suit" and your indemnitee is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a.** The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b.** This insurance applies to such liability assumed by you;
  - c.** The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by you in the same "insured contract";
  - d.** The allegations in the "suit" and the information we know about the offense or "occurrence" are such that no conflict appears to exist between the your interests and the interests of the indemnitee;
  - e.** You and the indemnitee ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend you and the indemnitee; and
  - f.** The indemnitee:
    - (1) Agrees in writing to:
      - (a)** Cooperate with us in the investigation, settlement or defense of the "suit";
      - (b)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
      - (c)** Notify any other insurer whose coverage is available to the indemnitee; and
      - (d)** Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
    - (2) Provides us with written authorization to:
      - (a)** Obtain records and other information related to the "suit"; and
      - (b)** Conduct and control the defense of the indemnitee in such "suit".

So long as the conditions in this subparagraph **f.** are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid under Section II - Defense. Notwithstanding the provisions of paragraph **2.b.(2)** of Coverage **A.** - Bodily Injury And Property Damage Liability (Section I), such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.
5. Our obligation to defend your indemnitee and to pay for attorneys' fees and necessary litigation expenses under Section II - Defense ends when:
  - a.** We have used up the applicable limit of insurance in the payment of judgments or settlements; or
  - b.** The conditions set forth above, or the terms of the agreement described in paragraph **3.f.** above, are no longer met by the indemnitee.



### Section III Who Is An Insured

1. Except for liability arising out of the ownership, maintenance or use of "covered autos":

a. If you are designated in the Declarations as:

- (1) An individual, you, as a natural person, and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- (2) A partnership or joint venture, you are an insured. Except with respect to any "auto", your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- (4) An organization other than a partnership, or joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. Each of the following is also an insured:

- (1) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for :

(a) "Bodily injury" or "personal and advertising injury":

- (i) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or while performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (ii) To the spouse, child, parent, brother or sister, or other dependent of that co-"employee" as a consequence of paragraph (a)(i) above;
- (iii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraph (a)(i) or (ii) above; or
- (iv) Arising out of his or her providing or failing to provide professional health care services.

(b) "Property damage" to property:

- (ii) Owned, occupied or used by; or
- (iii) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by; you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- (2) Any person (other than your "employee" or "volunteer worker") or any organization while acting as your real estate manager
- (3) Any person or organization having proper temporary custody of your property if you die, but only:
  - (a) With respect to liability arising out of the maintenance or use of that property; and
  - (b) Until your legal representative has been appointed.
- (4) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.

c. Any organization you newly acquire or form, other than a partnership, or joint venture, and over which you maintain ownership or majority interest, will qualify as a named insured if there is no other similar insurance available to that organization. However:

- (1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period set forth in the Declarations, whichever is earlier;
- (2) Coverage is applicable only in excess of the Limits of "underlying insurance" as shown in the Declarations, and you must add such organization to your "underlying insurance" as soon as practicable, advising us of such additions. We may then make adjustment of premium charges as called for in Condition 9 - Maintenance of Underlying Insurance;
- (3) Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and



(4) Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, or joint venture that is not shown as a named insured in the Declarations.

2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":

a. You are an insured.

b. Anyone else while using a "covered auto" you own, hire or borrow with your permission is also an insured except:

(1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.

(2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.

(3) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.

(4) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

(5) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a "covered auto".

(6) "Employees with respect to "bodily injury" to:

(a) Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or

(b) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.

(7) "Property damage" to property owned by the employer of any person who is an insured under this provision.

However, paragraphs **b. (2)** and **b. (3)** do not apply if:

(1) Insurance is afforded to the owner for such "covered auto" by "underlying insurance", or would be afforded under such "underlying insurance" but for exhaustion of such policy's limits of insurance; or

(2) Such "covered auto" is a trailer connected to a "covered auto" you own.

c. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the "covered auto".

3. Any additional insured under any policy of "underlying insurance" will automatically be an insured under this insurance.

Subject to Section IV - Limits Of Insurance, if coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured will not exceed either the:

a. Minimum limit of insurance you agreed to provide, less any amounts payable by any "underlying insurance"; or

b. Available under the applicable Limits of Insurance available under this policy; whichever is less,

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".

#### **Section IV Limits Of Insurance**

1. The Policy Aggregate Limit shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. "Claims" made or "suits" brought, or number of vehicles involved; or

c. Persons or organizations making "claims" or bringing "suits".

2. The Policy Aggregate Limit is the most we will pay for:

a. The sum of all "ultimate net loss" under Coverage **A** and Coverage **B** combined, except "ultimate net loss" because of "bodily injury" and "property damage" arising from the "automobile hazard"; and

b. Each "occurrence" with regard to "ultimate net loss" because of injury and damage arising from the "automobile hazard".

3. If the Policy Aggregate Limit is paid prior to this policy's termination date for losses other than losses arising from the "automobile hazard", this policy's premium is fully earned.

4. If there is "underlying insurance" with a policy period that is non-concurrent with the policy period of this Commercial Umbrella Coverage Form, the "retained limit(s)" will only be reduced or exhausted by payments for:

a. **"Bodily injury" or "property damage" which occurs during the policy period of this Coverage Form; or**



**b. "Personal and advertising injury" for offenses that are committed during the policy period of this Coverage Form.**

However, if any "underlying insurance" is written on a claims-made basis, the "retained limit(s)" will only be reduced or exhausted by claims for that insurance that are made during the policy period, or any Extended Reporting Period, of this Coverage Form.

5. The Policy Aggregate Limit applies separately to each consecutive annual period, and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limit of Insurance.

**Section V Conditions**

1. **Appeals.** In the event the insured or any "underlying insurer" elects not to appeal a judgment for damages covered by this policy and which exceeds the "retained limit", we may elect, but have no duty, to do so. We shall be liable, in addition to the Limit of Insurance, for all costs and expenses incurred and interest on judgments incidental to such an appeal and for all such costs, expenses and interest on appeals in connection with our right and duty to defend the insured under this policy.
2. **Bankruptcy.** Bankruptcy, insolvency, or receivership of the insured, the insured's estate or of any "underlying insurer" will not relieve us of our obligations under this policy. With regard to bankruptcy, insolvency, or receivership of any "underlying insurer", this policy shall not apply as a replacement of such bankrupt or insolvent insurer and our Limits of Insurance will apply only in excess of the required Limit(s) of Insurance stated in the Declarations of this policy.
3. **Cancellation.**
  - a. The first named insured shown in the Declarations may cancel this policy by delivering it to us or any of our authorized agents or by sending us written notice stating when the future cancellation will take effect. Cancellation will become effective the date of delivery of the policy to us or upon such future date requested by the first named insured.
  - b. We may cancel this policy by mailing or delivering to the first named insured written notice of cancellation at least:
    - (1) Ten (10) days before the effective date of cancellation if we cancel because of nonpayment of premium whether payable directly to us or payable to our agents or others under any installment payment plan, premium finance plan, extension of credit or other payment plan; or
    - (2) Thirty (30) days before the effective date of cancellation if we cancel for any other reason.
  - c. We will mail or deliver our notice to the first named insured's last mailing address known to us.
  - d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
  - e. If this policy is canceled, we will send the first named insured any premium refund due. If we or the first named insured cancel, the refund will be pro rata. The cancellation will be effective even if we have not made or offered any refund of unearned premium.
  - f. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. **Changes.** This policy contains all the agreements between you and us concerning the insurance afforded. The first named insured shown in the Declarations is authorized to make changes in the terms of this policy upon our giving written consent. This policy's terms can be amended or waived only by endorsement to this policy issued by us and made a part of this policy.
5. **Duties In The Event Of Occurrence, Offense, Claim Or Suit.**
  - a. You must see to it that we or our authorized representative are notified as soon as practicable of an "occurrence" or an offense which may result in a "claim". To the extent possible, notice should include:
    - (1) How, when, and where the "occurrence" or alleged offense took place;
    - (2) The insured's name and address;
    - (3) The names and addresses of any injured persons or witnesses; and
    - (4) The nature and location of any injury or damage arising out of the "occurrence" or offense.
 Notice of an "occurrence" or an offense is not notice of a "claim".
  - b. If a "claim" is made or "suit" is brought against any insured, you must:
    - (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
    - (2) Notify us as soon as practicable.
 You must see to it that we also receive written notice of the "claim" or "suit" as soon as practicable.
  - c. You and any other insured involved in such "claim" or "suit" must:
    - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
    - (2) Authorize us to obtain records and other information;
    - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and



- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- e. No insureds shall in any way jeopardize our rights after an "occurrence" or offense.
6. **Examination of Your Books and Records.** We may examine and audit your books and records as they relate to this policy at any time during the policy period set forth in the Declarations and up to three years afterward.
7. **Inspection and Surveys.**
- a. We have the right but are not obligated to:
- (1) Make inspections and surveys at any time;
  - (2) Give you reports on the conditions we find; and
  - (3) Recommend changes to such conditions.
- b. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We also do not warrant that conditions:
- (1) Are safe or healthful; or
  - (2) Comply with laws, regulations, codes or standards.
- c. This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations on our behalf.
8. **Legal Action Against Us.**
- a. No person or organization has a right under this policy:
- (1) To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
  - (2) To sue us under this policy unless all of its terms have been fully complied with.
- b. A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.
9. **Maintenance of Underlying Insurance.**
- a. You must keep the "underlying insurance" listed in the Schedule of "underlying insurance" in the Declarations, or renewal or replacement policies not more restrictive in their terms and conditions, in full force and effect throughout the policy period of this insurance. The Limits of Insurance must be maintained in full effect without reduction of limits except for reduction of the aggregate limit due to payment of claims, settlement or judgments to which this insurance applies. You must also notify us in writing, within 30 days of any termination of any policy of "underlying insurance", or replacement of any policy of "underlying insurance".
- b. You must notify us in writing, within 30 days of any changes to the terms or limits of any "underlying insurance" policies. We may adjust premium charges under this policy from the effective date of such changes to the terms of any "underlying insurance".
- c. Your failure to comply with the foregoing paragraphs 9.a. and 9.b. will not invalidate this policy, but in the event of such failure, we shall be liable under this policy only to the extent that we would have been liable had you complied with these obligations.
10. **Other Insurance.** If other valid and collectible insurance is available to the insured for "ultimate net loss" we cover under this policy, our obligations under this policy are limited as follows:
- a. This insurance is excess over:
- (1) Any other insurance, whether primary, excess, contingent or on any other basis, except such insurance as is specifically purchased to apply in excess of this policy's Limit of Insurance; and
  - (2) Any other insurance available to the insured, whether primary or excess, covering liability for damages arising out of premises or operations for which you have been added as an additional insured.
- b. We will indemnify only our share of the amount of "ultimate net loss", if any, that exceeds the sum of:
- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
  - (2) The total of all deductible and self-insured amounts under this or any other insurance.
- c. We will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all other insurers in accordance with provisions of Condition 16 below.



**11. Premium Audit.**

- a. We will compute all premiums for this policy in accordance with our rules and rates.
- b. Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first named insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first named insured, but not if such audit premium is less than the Minimum Premium shown in the Declarations.
- c. The first named insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**12. Premiums.** The first named insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

**13. Representations.** By accepting this policy, you agree that:

- a. The information shown on the Declarations is accurate and complete;
- b. The information is based upon representations you made to us in your application(s) for this policy;
- c. We have issued this policy in reliance upon your representations; and
- d. Except as otherwise provided in this policy or by law, this policy is void if you conceal or misrepresent any material facts concerning this policy, in your application for this policy or otherwise.

**14. Separation of Insureds.** Except with respect to the Limit of Insurance, and any rights or duties specifically assigned to the first named insured, this insurance applies:

- a. As if each named insured were the only named insured; and
- b. Separately to each insured against whom "claim" is made or "suit" is brought.

**15. Sole Agent.** The named insured first shown in the Declarations is authorized to act on behalf of all insureds with respect to giving or receiving notice of cancellation or nonrenewal, receiving refunds, and agreeing to any changes in this policy.**16. Transfer Of Rights Of Recovery Against Others To Us.**

- a. If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring suit or transfer those rights to us and
- b. Any recoveries shall be applied first to reimburse any interests (including the insured) that may have paid any amounts in excess of our liability under this policy; then to reimburse us for any payment hereunder; and lastly to reimburse such interests (including the insured) as to which this policy is excess, as are entitled to the residue, if any.
- c. When we assist in pursuit of the insured's rights of recovery, reasonable expenses resulting therefrom shall be apportioned among all interests in the ratio of their respective recoveries.
- d. If there should be no recovery as a result of proceedings instituted solely at our request, we shall bear all expenses of such proceedings.

**17. Transfer of Your Rights and Duties Under This Policy.**

- a. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.
- b. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**18. When Loss Payable.** Our liability for any portion of "ultimate net loss" shall not apply until the insured or any "underlying insurer" shall be obligated to actually pay the full and complete amount of the "retained limit". When "ultimate net loss" has been finally determined, the insured may make "claim" for payment under this policy as soon as practicable thereafter. Such insured's obligation to pay any amount of "ultimate net loss" must have been finally determined either by judgment against the insured after actual trial or by written agreement of the insured, the claimant or the claimant's legal representative and us.**19. When We Do Not Renew.**

- a. If we decide not to renew this policy, we will mail or deliver to the first named insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date or such other period as may be required by law.
- b. If notice is mailed, proof of mailing will be sufficient proof of notice.

**20. Expanded Coverage Territory**

- a. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred



for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

- b. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
- c. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Canada or Puerto Rico.
- d. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

#### Section VI Definitions

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporter is considered an advertisement.
2. "Auto" means:
  - a. A land motor vehicle, trailer or semi trailer designed for travel on public roads, including any attached machinery or equipment, or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".
3. "Automobile hazard" means liability arising out of the ownership, maintenance, use or entrustment of any "covered auto". Use includes operation and "loading or unloading".
4. "Bodily injury" means bodily injury, sickness, or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
5. "Claim" means any demand upon the insured for damages or services alleging liability of the insured as the result of an "occurrence" or offense.
6. "Covered auto" means only those "autos" to which "underlying insurance" applies.
7. "Coverage territory" means
  - a. anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - 1) Goods or products made or sold by you in the territory described in **a.** above;
    - 2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or
    - 3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **a.** above or in a settlement we agree to.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or



b. You have failed to fulfill the terms of a contract or agreement;  
If such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or by your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of a contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement; or
- f. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law for injury to persons or property in the absence of any contract or agreement.

Paragraphs f. and g. does not include that part of any contract or agreement:

- (1) That indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities ;
- (4) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees," if the "auto" is loaned, leased or rented with a driver; or
- (5) That holds a person or organization engaged in the business of transporting property by "auto" for hire, harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered; but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, on which are permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;





- e. Vehicles not described in **a.**, **b.**, **c.**, or **d.** immediately preceding that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;

- f. Vehicles not described in **a.**, **b.**, **c.**, or **d.** of this section maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

**16. "Occurrence" means:**

- a. With respect to "bodily injury" or "property damage", an accident, including continuous or repeated exposure to substantially the same general harmful conditions. This does not apply to your liability (other than under a contract or agreement) for "bodily injury" to your "employees" arising out of and in the course of employment by you; or
- b. With respect to your liability (other than under a contract or agreement) for "bodily injury" to your "employees" arising out of and in the course of employment by you, "bodily injury" caused by accident or disease.

**17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:**

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement."

**18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including, without limitation, smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes, without limitation, materials to be recycled, reconditioned or reclaimed.**

**19. "Pre-judgment interest" means interest added to a settlement, verdict, award or judgment based on the amount of time prior to the settlement, verdict, award or judgment whether or not made part of the settlement, verdict, award or judgment.**

**20. "Products-completed operations hazard":**

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or

- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

- (a) When all of the work called for in your contract has been completed;

- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or

- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.



- b. Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Those products or operations for which the applicable classification, under a policy of "underlying insurance", states that products-completed operations are subject to that policy's General Aggregate Limit.

**21. "Property damage" means:**

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on created or used on, or transmitted to or from computer software, including systems and application software, hard or floppy disks, CD-ROMs, tapes drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**22. "Retained limit" means the greater of:**

- a. The sum of amounts applicable to any "claim" or "suit" from:
  - (1) The available limits of "underlying insurance"; and
  - (2) Other collectible primary insurance; or
- b. The "self-insured retention".

**23. "Self-insured retention" means the dollar amount listed in the Declarations that will be paid by the insured before this insurance becomes applicable only with respect to "occurrences" or offenses not covered by the "underlying insurance". The "self-insured retention" does not apply to "occurrences" or offenses which would have been covered by "underlying insurance" but for the exhaustion of applicable limits**

**24. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies is alleged. "Suit" includes:**

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or submits with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages is claimed and to which the insured must submit or submits with our consent.

**25. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.**

**26. "Ultimate net loss" means the total amount of damages for which the insured is legally liable in payment of "bodily injury", "property damage" or "personal and advertising injury". "Ultimate net loss" must be fully determined as shown in Condition 18 - When Loss Payable. "Ultimate net loss" shall be reduced by any recoveries or salvages which have been paid or will be collected, but the amount of "ultimate net loss" shall not include any expenses incurred by any insured, by us or by any "underlying insurer".**

**27. "Underlying insurance" means the coverage(s) afforded under insurance policies designated in the Declarations under the Schedule of "underlying insurance" and any renewals or replacements of those policies.**

**28. "Underlying insurer" means any company issuing any policy of "underlying insurance".**

**29. "Unmanned aircraft" means an aircraft that is not:**

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

**30. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.**

**31. "Wrongful act" means any actual or alleged error, misstatement or misleading statement, act, omission or neglect or breach of duty by a director or "executive officer" in discharge of their duties, individually or collectively, or any matter claimed against them solely by reason of their being directors or officers of your business.**

"Wrongful act" does not include "bodily injury", "property damage" or "personal and advertising injury" as defined in this coverage form.



**32. "Your product":****a. Means:**

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a) You;
  - (b) Others trading under your name; or
  - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**b. Includes:**

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

**c. Does not include vending machines or other property rented to or located for the use of others but not sold.****33. "Your work":****a. Means:**

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

**b. Includes:**

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION-ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM

- A. Exclusion **2.w.** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

### 2. Exclusions

This insurance does not apply to:

#### w. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph **2. Exclusions** of **Section I - Coverage B - Personal And Advertising Injury Liability**:

### 2. Exclusions

This insurance does not apply to:

#### Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONDITIONAL EXCLUSION OF TERRORISM INVOLVING  
NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM  
(RELATING TO DISPOSITION OF FEDERAL  
TERRORISM RISK INSURANCE ACT)**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA COVERAGE FORM**

**A. Applicability Of The Provisions Of This Endorsement**

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.

- a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part; or

- b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:

- (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

- (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or

- (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

2. If the provisions of this endorsement become applicable, such provisions:

- a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of

terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and

- b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.

3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

**B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:**

1. "Terrorism" means activities against persons, organizations or property of any nature:

- a. That involve the following or preparation for the following:

- (1) Use or threat of force or violence; or

- (2) Commission or threat of a dangerous act; or

- (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

- b. When one or both of the following applies:

- (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or



(2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury or damage" means any injury or damage covered under any Coverage Part or underlying insurance to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or underlying insurance.

C. The following exclusion is added:

**EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or

damage. But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - EMPLOYERS' LIABILITY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL UMBRELLA COVERAGE FORM**

Exclusion **d.** of paragraph **2.**, Exclusions, of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability is deleted and replaced by the following:

This insurance does not apply to "bodily injury" (other than liability assumed by the insured under an "insured contract") to:

1. An "employee" of the insured arising out of and in the course of:
  - a. Employment by the insured; or
  - b. Performing duties related to the conduct of the insured's business; or
2. The spouse, child, parent, brother or sister of that "employee" as a consequence of 1. above.

This exclusion applies:

1. Whether the insured may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL UMBRELLA COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM

**A. The following exclusion is added:**

This insurance does not apply to:

**TERRORISM PUNITIVE DAMAGES**

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

**B. The following definition is added:**

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism":

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL UMBRELLA COVERAGE FORM**

#### **A. Changes In Liability Coverage**

With regard to liability for Bodily Injury, Property Damage and Personal And Advertising Injury, unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Part requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit", will bar coverage under this Coverage Part.

However, Paragraph **A.** does not apply with respect to the ownership, maintenance or use of "covered autos".

#### **B. The following is added to Section VI - Definitions:**

Except for any provision of a construction contract subject to Tex. Ins. Code **h** 151.102, Paragraph **12.** of the Definitions Section is replaced by the following:

##### **12. "Insured contract" means:**

- a.** A contract for a lease of premises. However, that portion of a contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement; or
- f.** That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- g.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law for injury to persons or property in the absence of any contract or agreement.

Paragraph **11.f.** and **g.** does not include that part of any contract or agreement:

- (1)** That indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a)** Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **11.g.(2)** above and supervisory, inspection, architectural or engineering activities ;
- (4)** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees," if the "auto" is loaned, leased or rented with a driver; or
- (5)** That holds a person or organization engaged in the business of transporting property by "auto" for hire, harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.

#### **C. Paragraph 3. b., Cancellation of Section V. Conditions is replaced by the following:**

- b.** We may cancel this policy:



- (1) By mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation. However if this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described above, will be provided to the First Named Insured 30 days before the effective date of cancellation. We will also provide 30 days' written notice to each unit-owner to whom we issued a certificate or memorandum of insurance, by mailing or delivering the notice to each last mailing address known to us.
- (2) For the following reasons, if this policy does not provide coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two- family dwellings:
- (a) If this policy has been in effect for 60 days or less, we may cancel for any reason except, that under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.
  - (b) If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:
    - 1) Fraud in obtaining coverage;
    - 2) Failure to pay premiums when due;
    - 3) An increase in hazard within the control of the insured which would produce an increase in rate;
    - 4) Loss of our reinsurance covering all or part of the risk covered by the policy; or
    - 5) If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.
- (3) For the following reasons, if this policy provides coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two-family dwellings:
- (a) If this policy has been in effect for less than 90 days, we may cancel coverage for any reason.
  - (b) If this policy has been in effect for 90 days or more, or if it is a renewal or continuation of a policy issued by us, we may cancel coverage, only for the following reasons:
    - 1) If the first Named Insured does not pay the premium or any portion of the premium when due;
    - 2) If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;
    - 3) If the Named Insured submits a fraudulent claim; or
    - 4) If there is an increase in the hazard within the control of the Named Insured which would produce an increase in rate.

**D. The following is added and supersedes provisions to the contrary:**

**NONRENEWAL**

1. We may elect not to renew this policy except, that under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.
2. This Paragraph, 2. applies unless the policy qualifies under Paragraph 3. below. If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.
3. If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then we will mail or deliver written notice of nonrenewal, at least 30 days before the expiration or anniversary date of the policy, to:
  - a. The first Named Insured; and
  - b. Each unit-owner to whom we issued a certificate or memorandum of insurance.
 We will mail or deliver such notice to each last mailing address known to us.
4. If notice is mailed, proof of mailing will be sufficient proof of notice.
5. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

**E. The following is added to Section V., Paragraph 5. - Duties In The Event Of An Act, Error Or Omission, Or "Claim" or "suit":**



We will notify the first Named Insured in writing of:

1. An initial offer to compromise or settle a claim made or "suit" brought against any insured under this coverage. The notice will be given not later than the 10th day after the date on which the offer is made.
2. Any settlement of a claim made or "suit" brought against the insured under this coverage. The notice will be given not later than the 30th day after the date of settlement.

**F.** The following is added to the policy.

With regard to liability for "administration" of your "employee benefit program", unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Form requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit" will bar coverage under this Coverage Form.

**G.** The following is added to Section V. Conditions:

**CLAIMS HANDLING PROCEDURES**

We will notify you the first Named Insured in writing of:

- (a) An initial offer to compromise or settle a claim made or "suit" brought against any insured. The notice will be given no later than the 10th day after the date on which the offer is made.
- (b) Any settlement of a claim made or "suit" brought against the "insured". The notice will be given not later than the 30th day after the date of settlement.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL UMBRELLA COVERAGE FORM**

- A.** The following exclusion is added to Paragraph 2. Exclusions of Section 1. - Coverage **A** - Bodily Injury And Property Damage Liability:

**2. Exclusions**

This insurance does not apply to:

**FUNGI OR BACTERIA**

- a.** "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

- b.** Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediation or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B.** The following exclusion is added to Paragraph 2. Exclusions of Section 1. - Coverage **B** - Personal And Advertising Injury Liability:

**2. Exclusions**

This insurance does not apply to:

**FUNGI OR BACTERIA**

- a.** "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.

- b.** Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediation or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C.** The following definition is added to the Definitions Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TEXAS EXCLUSION - OWNED AUTO**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL UMBRELLA COVERAGE FORM**

The following exclusion is added to paragraph **2.**, Exclusions, of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability:

This insurance does not apply to "bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading or unloading" or entrustment to others of any "auto" owned by you when coverage is not included in any underlying insurance.

**CXS 40 30 01 07 Page 1 of 1**

\*///\*CXS 40 30 01 07

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Insurance Services Office, Inc., with its permission

POLICY NUMBER: SPP 2505525  
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E N D O R S E M E N T

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. IF THIS COVERAGE FORM AND ANY OTHER COVERAGE FORM OR POLICY ISSUED TO YOU BY US OR ANY COMPANY AFFILIATED WITH US APPLY TO THE SAME "OCCURANCE", THE MAXIMUM APPLICABLE PER OCCURRENCE AND AGGREGATE LIMITS OF INSURANCE AVAILABLE UNDER ALL THE COVERAGE FORMS OR POLICIES SHALL NOT EXCEED THE HIGHEST APPLICABLE PER OCCURRENCE AND AGGREGATE LIMITS OF INSURANCE UNDER ANY ONE COVERAGE FORM OR POLICY. THIS CONDITION DOES NOT APPLY TO ANY COVERAGE FORM OR POLICY ISSUED BY US OR AN AFFILIATED COMPANY TO APPLY EXCESS INSURANCE OVER THE COVERAGE FORM.
2. HOWEVER, THE PROVISION IN PARAGRAPH 1. ABOVE DOES NOT APPLY TO THE "BODILY INJURY", "PROPERTY DAMAGE" OR "PERSONAL AND ADVERTISING INJURY" OCCURRING WITHIN THE GEOGRAPHICAL AREA OF THE STATE OF TEXAS.

THIS ENDORSEMENT FORMS A PART OF THE POLICY TO WHICH IT IS ATTACHED.

THE SPACES BELOW NEED NOT BE COMPLETED UNLESS THIS ENDORSEMENT IS ISSUED SUBSEQUENT TO PREPARATION OF THE POLICY.

EFFECTIVE DATE: \_\_\_\_\_  
(12:01 AM STANDARD TIME)

DATE OF ISSUE: \_\_\_\_\_

ISSUED TO: \_\_\_\_\_

MC 17 (12-85)

ONI RISK PARTNERS INC.  
PO BOX 80159  
INDIANAPOLIS, IN 46280

**EXHIBIT 5**

**To: Insured**

**Your Independent Agent**

THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE, IN 47807

ONI RISK PARTNERS INC.  
PO BOX 80159  
INDIANAPOLIS, IN 46280

Thank you for insuring with State Auto Insurance Companies. Attached is information about your new business, renewal or policy change. Please contact your agent with any questions.

Your coverages are listed on the attached declarations pages. Any new or revised coverage forms are attached.

The State Auto Insurance companies and your independent agent strive to provide overwhelming service to you. Please let us know how we can best serve your needs.

***This policy is billed by your agent. Your agent will contact you regarding any billing adjustment.***





**SCHEDULE OF PAYMENTS**

ISSUE DATE 11/16/21

ACCOUNT ID	AC00054162 001 00001	POLICY EFFECTIVE DATE	12/01/21	CPP
INSURED ID		POLICY EXPIRATION DATE	12/01/22	
POLICY ID	SPP2505525 01 07 V7			

**INSURED NAME**

THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE IN 47807

DATE	DESCRIPTION	PREMIUM	INST. CHG.
------	-------------	---------	------------

12-01-21	RENEWAL	\$118,258.00	
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TOTAL		\$118,258.00	
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THIS SCHEDULE OF PAYMENTS IS FOR INFORMATION PURPOSES ONLY.  
YOUR AGENT WILL CONTACT YOU FOR ANY PREMIUM ADJUSTMENT.

**AGENT NAME:** ONI RISK PARTNERS INC.  
PO BOX 80159  
INDIANAPOLIS

**TELEPHONE:** 812-478-6000

IN 46280



**SCHEDULE OF PAYMENTS**

ISSUE DATE 11/16/21

ACCOUNT ID	AC00054162 001 00001	POLICY EFFECTIVE DATE	12/01/21	CPP
INSURED ID		POLICY EXPIRATION DATE	12/01/22	
POLICY ID	SPP2505525 01 07 V7			

**INSURED NAME**

THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE IN 47807

DATE	DESCRIPTION	PREMIUM	INST. CHG.	COMMISSION
------	-------------	---------	------------	------------

12-01-21	RENEWAL	\$118,258.00		15.00%
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TOTAL		\$118,258.00		\$17,738.70
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**AGENT NAME:** ONI RISK PARTNERS INC.  
PO BOX 80159  
INDIANAPOLIS

**TELEPHONE:** 812-478-6000  
IN 46280 0054162

NAMED INSURED AND MAILING ADDRESS:

**THOMPSON THRIFT HOLDING  
COMPANY LLC;  
901 WABASH AVE STE 300  
TERRE HAUTE, IN 47807**

AGENT NAME AND ADDRESS:

**ONI RISK PARTNERS INC.  
PO BOX 80159  
INDIANAPOLIS, IN 46280**

**(812) 478-6000**

*Dear Valued Customer,*

*Thank you for allowing us to provide your important insurance protection. Your satisfaction with your insurance coverage is essential to us and we would like to keep you informed about changes to your policy.*

*Please take a moment and review the notices listed below. These notices are intended to make you aware of important changes such as coverage broadenings, reductions or restrictions. Your careful review is appreciated.*

*If you have any questions about these changes, please contact your insurance agency at the address and phone number shown above.*

*Again, thank you for placing your insurance with State Auto Insurance Companies!*

## **POLICYHOLDER INFORMATION**

PN 01 55 01 10	Consumer Information - Indiana
CG 67 6 04 95	Retain Original Policy Documents
PN 02 39 07 07	If You Have a Claim
PS 05 32 07 15	Indiana Mine Subsidence Limits Increase
PS 05 32 01 17	Importance Notice Regarding Mine Subsidence
PS 00 11 07 07	Notice of Premium Audit
MC 78 03 91	Contractors - Hiring Subcontractors - SAVE Information
PS 00 28 01 12	Data Compromise Breach Helpline
PS 00 38 01 14	Data Compromise Breach E-Risk Hub Stuffer
PS 00 42 07 18	eRisk Hub Policy Stuffer
PN 02 33 07 07	Lead Exclusion
PN 02 34 07 07	Asbestos Exclusion
PN 02 37 07 07	Limited Coverage for Terrorism

## BE PREPARED FOR A CYBER ATTACK OR A DATA BREACH!

### CHECK OUT THE STATE AUTO RISK MANAGEMENT PORTAL!

A business that experiences a cyber attack or data breach needs to protect its reputation. You've taken that first step towards protecting your business by purchasing a State Auto business insurance policy with our exclusive **CyberSecure** coverage.

**Question?** If your organization suffers a cyber attack or a data breach, would you be prepared especially knowing that time is of the essence? As part of your **CyberSecure** coverage, State Auto provides you an online risk management portal that helps business owners prepare and respond effectively to data breach and cyber-attacks. There is **no cost to you!** This is a complimentary service as a State Auto **CyberSecure** policyholder. Now you can develop an effective response plan in advance of an attack or a breach that can help you be prepared, protect your customer relationships, and protect your business reputation.

This valuable tool is called the **eRiskHub®** portal, and it's designed to help you better understand your risks and establish a response plan so you can minimize the financial effects of a cyber attack or data breach should one occur.

#### Key Features of the eRiskHub® Portal

- \* Incident Response Plan Roadmap - suggested steps to take following an attack or breach
- \* Online Training Modules - ready-to-use training on privacy Best Practices and Red Flag Rules
- \* Risk Management Tools - assist you in managing our cyber risk, including state notification laws
- \* News Center - current and timely cyber risk and security news stories, helpful industry links, security blogs
- \* Learning Center - Best Practices stories and webinars from leading cyber security experts
- \* eRisk Resources - a directory to quickly find external resources on pre- and post-breach disciplines

#### Register Today and Begin Enjoying the Benefits

To access the eRiskHub® portal, all you need to do is register and set up your unique User ID and Password. Just follow these steps:

- \* Go to <https://eriskhub.com/stateauto>
- \* Complete the information in the center of the page, including your name and company. Please note that your User ID and Password are case-sensitive.
- \* Enter your assigned **access code: 12116-4**.
- \* Enter the challenge word on the screen and click "Submit".
- \* You will get a "Registration Complete" message on the next screen. You can now login to the portal.

The eRiskHub® portal is service maintained by NetDiligence®. Use of the service is subject to the provider's website terms and conditions.

## NOTICE TO INDIANA POLICYHOLDERS

Questions regarding your policy or coverage should be directed to:

State Auto Insurance Companies  
Claims Division  
518 East Broad Street  
Columbus, OH 43215  
Phone: 833-724-3577 (833-SAHELPS)

We want you to know that you may contact the Indiana Department of Insurance if you have a complaint or seek assistance from the governmental agency that regulates insurance. To contact the department of Insurance, write or call:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street, Suite 300  
Indianapolis, IN 46204  
Consumer Hotline: (800) 7622-4461; (317) 232-2395

Complaints can be filed electronically at [www.in.gov.idoi](http://www.in.gov.idoi).

**PN 01 55 01 10 Page 1 of 1**

\*//\*\*PN0155-201001

## **POLICYHOLDER DISCLOSURE - NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act (Act), as amended, that you have a right to purchase insurance coverage for losses arising out of certified acts of terrorism. The term "certified act of terrorism" means any act that is certified by the Secretary of the Treasury - in accordance with the provisions of the federal Terrorism Risk Insurance Act - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that coverage provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided on the policy Declarations page and does not include any charges for the portion of loss covered by the federal government under the act.

### **LIMITATION ON PAYMENT OF TERRORISM LOSSES**

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurer's liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

If you purchase this coverage on an umbrella policy, you must also purchase this coverage for underlying general liability policies.

In the context of a newly issued policy or renewal offer, this form becomes part of the application for this coverage.

### **You may select terrorism insurance coverage as follows:**

The portion of your annual policy premium that is attributable to coverage for certified acts of terrorism is shown on the declarations page. If you wish to reject this coverage, please read and complete the form below.

### **You may reject terrorism insurance coverage as follows:**

You may elect to decline coverage for certified acts of terrorism. However, if your policy covers property located in a state with a fire following statutory requirement, the terrorism exclusion makes an exception for fire losses to such covered property resulting from certified acts of terrorism. If you choose to decline coverage for certified acts of terrorism, that rejection is not applicable to fire losses to property in those states resulting from certified acts of terrorism, unless excepted by statute or other regulatory means. A separate premium is displayed on the declarations page for coverage for fire losses that result from certified acts of terrorism.

To reject coverage, you must 'X' the box below, sign your name, print your name, date this form and return it to the company within 30 days. If you choose not to reject this coverage, you do not need to return this form.

	I hereby elect to exclude losses arising from certified acts of terrorism and understand that I will have no coverage for losses resulting from certified acts of terrorism. I understand that if I exclude certified acts of terrorism coverage, coverage will not be available until my next renewal.
--	---

<p>_____ Policyholder/Applicant's Signature</p> <p>_____ Print Name</p> <p>_____ Date</p>	<p style="text-align: center;">State Auto Property and Casualty Insurance Co.</p> <p>_____ Insurance Company</p> <p>SPP 2505525 01 _____ Policy Number</p>
---	--

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ONI RISK PARTNERS INC.  
PO BOX 80159  
INDIANAPOLIS, IN 46280

(812) 478-6000



## **POLICYHOLDER DISCLOSURE - NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act (Act), as amended, that you now have a right to purchase insurance coverage for losses arising out of certified acts of terrorism. The term "certified act of terrorism" means any act that is certified by the Secretary of the Treasury- in accordance with the provisions of the federal Terrorism Risk Insurance Act-to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know regarding coverage provided by this policy for losses resulting from certified acts of terrorism such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is discussed below and does not include any charges for the portion of loss covered by the federal government under the act.

### **LIMITATION ON PAYMENT OF TERRORISM LOSSES**

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurer's liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

### **Selection of terrorism insurance coverage**

The portion of your annual policy premium that is attributable to coverage for certified acts of terrorism is shown on the declarations page. If you wish to reject this coverage, please read and complete the form below. Note: Be advised that while this policy does provide coverage for certain terrorism losses in compliance with the Federal Terrorism Risk Insurance Act, it does not cover all types of terrorism losses, and in fact, excludes coverage for certain losses, such as those that are the result of a terrorist act that was not committed on behalf of any foreign person or foreign government and is a result of nuclear, biological or chemical agents. You are not covered for such losses unless your insurance company has offered you additional terrorism coverage for such losses and you have paid an additional premium for that coverage, if required to do so by the insurance company.

### **Rejection of terrorism insurance coverage**

You may elect to decline coverage for certified acts of terrorism. However, if your policy covers property located in a state with a fire following statutory requirement, the terrorism exclusion makes an exception for fire losses to such covered property resulting from certified acts of terrorism. If you choose to decline coverage for certified acts of terrorism, that rejection is not applicable to fire losses to property in those states resulting from certified acts of terrorism, unless excepted by statute or other regulatory means. A separate premium is displayed on the declarations page for coverage for fire losses that result from certified acts of terrorism.

If you purchase this coverage on an umbrella policy, you must also purchase this coverage for underlying general liability policies.

In the context of a newly issued policy or renewal offer, this form becomes part of the application for this coverage.

To reject coverage, you must 'X' the box below, sign your name, print your name, date this form and return it to the company within 30 days. If you choose not to reject this coverage, you do not need to return this form.

	I hereby elect to exclude losses arising from certified acts of terrorism and understand that I will have no coverage for losses resulting from certified acts of terrorism. I understand that if I exclude certified acts of terrorism coverage, coverage will not be available until my next renewal.
--	---

<p>_____ Policyholder/Applicant's Signature</p> <p>_____ Print Name</p> <p>_____ Date</p>	<p>State Auto Property and Casualty Insurance Co. Insurance Company</p> <p>SPP 2505525 01 Policy Number</p>
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13 —

ONI RISK PARTNERS INC.  
PO BOX 80159  
INDIANAPOLIS, IN 46280

(812) 478-6000

**SPP 2505525 01**

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## **YOUR BUSINESS POLICY RENEWAL**

**PLEASE RETAIN YOUR ORIGINAL POLICY FOR  
A COMPLETE DESCRIPTION OF YOUR COVERAGE**

**STATE AUTO INSURANCE COMPANIES**

Thank you for allowing us to serve your insurance needs

**STATE AUTO** Claim Handlers:  
Fair, Friendly and Fast

State Auto is proud of the service we provide our policyholders when they have a claim. We hope you never have a claim but, if you do, we want to make it as painless and worry-free as possible. We're committed to providing service that's fast - as well as fair and friendly. In fact, we pledge to make an honest effort to contact you within two hours of the time we receive the report of your loss.\*

Please notify your agent as soon as feasible if you have a claim. The sooner your agency knows about your loss, the sooner they can report it to us so we can begin working with you to handle the claim.

\* Although we always want to accomplish the two-hour contact time mentioned in our pledge - and we usually do call within that time period - we're sure you understand that may be impossible at certain unusual times such as when we're faced with a large weather-related catastrophe affecting many people in the same area.

**To report a claim:**

- \* Call your agent or
- \* Call State Auto directly at 833-724-3577 (833-SAHELPS) or
- \* Report your claim on StateAuto.com

**PN 02 39 07 07 Page 1 of 1**

\*//\*PN 02 39 07 07

## IMPORTANT NOTICE REGARDING MINE SUBSIDENCE LIMITS INCREASE

The Indiana Mine Subsidence Insurance limits have been increased from a maximum of \$200,000 to \$500,000. The eligible counties and corresponding premium amounts are shown below.

Clay Gibson Monroe Perry Sullivan Warrick	Crawford Greene Montgomery Pike Vanderburgh	Daviess Knox Orange Posey Vermillion	Dubois Lawrence Owen Putnam Vigo	Fountain Martin Parke Spencer Warren
--	---	--	--	--

Dwellings			Non Dwellings		
Coverage	Amount	Premium	Coverage	Amount	Premium
\$ 0	to \$ 25,000	\$ 24.00	\$ 0	to \$ 25,000	\$ 42.00
\$ 25,001	to \$ 40,000	\$ 30.00	\$ 25,001	to \$ 35,000	\$ 48.00
\$ 40,001	to \$ 60,000	\$ 36.00	\$ 35,001	to \$ 45,000	\$ 54.00
\$ 60,001	to \$ 75,000	\$ 42.00	\$ 45,001	to \$ 55,000	\$ 60.00
\$ 75,001	to \$ 100,000	\$ 60.00	\$ 55,001	to \$ 65,000	\$ 66.00
\$ 100,001	to \$ 125,000	\$ 80.00	\$ 65,001	to \$ 75,000	\$ 72.00
\$ 125,001	to \$ 150,000	\$ 98.00	\$ 75,001	to \$ 85,000	\$ 75.00
\$ 150,001	to \$ 175,000	\$ 114.00	\$ 85,001	to \$ 100,000	\$ 90.00
\$ 175,001	to \$ 200,000	\$ 130.00	\$ 100,001	to \$ 125,000	\$ 115.00
\$ 200,001	to \$ 225,000	\$ 146.00	\$ 125,001	to \$ 150,000	\$ 138.00
\$ 225,001	to \$ 250,000	\$ 163.00	\$ 150,001	to \$ 175,000	\$ 159.00
\$ 250,001	to \$ 275,000	\$ 179.00	\$ 175,001	to \$ 200,000	\$ 179.00
\$ 275,001	to \$ 300,000	\$ 195.00	\$ 200,001	to \$ 225,000	\$ 207.00
\$ 300,001	to \$ 325,000	\$ 211.00	\$ 225,001	to \$ 250,000	\$ 230.00
\$ 325,001	to \$ 350,000	\$ 228.00	\$ 250,001	to \$ 275,000	\$ 253.00
\$ 350,001	to \$ 375,000	\$ 244.00	\$ 275,001	to \$ 300,000	\$ 276.00
\$ 375,001	to \$ 400,000	\$ 260.00	\$ 300,001	to \$ 325,000	\$ 299.00
\$ 400,001	to \$ 425,000	\$ 276.00	\$ 325,001	to \$ 350,000	\$ 322.00
\$ 425,001	to \$ 450,000	\$ 293.00	\$ 350,001	to \$ 375,000	\$ 345.00
\$ 450,001	to \$ 475,000	\$ 309.00	\$ 375,001	to \$ 400,000	\$ 368.00
\$ 475,001	to \$ 500,000	\$ 325.00	\$ 400,001	to \$ 425,000	\$ 391.00
			\$ 425,001	to \$ 450,000	\$ 414.00
			\$ 450,001	to \$ 475,000	\$ 437.00
			\$ 475,001	to \$ 500,000	\$ 460.00

This coverage will protect your property from damage due to the collapse of abandoned underground coal mines. Without this specific coverage, damage caused by mine subsidence is not covered by your policy.

Should you have any questions about this coverage or the program in general, you should contact your agent or call the Indiana Department of Insurance at 1-800-332-4674 (in-state) or 317-232-2385.

## IMPORTANT NOTICE REGARDING MINE SUBSIDENCE

The Indiana Mine Subsidence Insurance program has been revised to include an offer of up to \$15,000 for additional living expenses for dwellings. The cost of the additional living expense is \$5 added to the policy premium shown below. The eligible counties and corresponding premium amounts are shown below.

Clay	Crawford	Daviess	Dubois	Fountain
Gibson	Greene	Knox	Lawrence	Martin
Monroe	Montgomery	Orange	Owen	Parke
Perry	Pike	Posey	Putnam	Spencer
Sullivan	Vanderburgh	Vermillion	Vigo	Warren
Warrick				

Dwellings(add \$5 for Additional Living Expense)			Non Dwellings		
Coverage	Amount	Premium	Coverage	Amount	Premium
\$ 0	to \$ 25,000	\$ 24.00	\$ 0	to \$ 25,000	\$ 42.00
\$ 25,001	to \$ 40,000	\$ 30.00	\$ 25,001	to \$ 35,000	\$ 48.00
\$ 40,001	to \$ 60,000	\$ 36.00	\$ 35,001	to \$ 45,000	\$ 54.00
\$ 60,001	to \$ 75,000	\$ 42.00	\$ 45,001	to \$ 55,000	\$ 60.00
\$ 75,001	to \$ 100,000	\$ 60.00	\$ 55,001	to \$ 65,000	\$ 66.00
\$ 100,001	to \$ 125,000	\$ 80.00	\$ 65,001	to \$ 75,000	\$ 72.00
\$ 125,001	to \$ 150,000	\$ 98.00	\$ 75,001	to \$ 85,000	\$ 75.00
\$ 150,001	to \$ 175,000	\$ 114.00	\$ 85,001	to \$ 100,000	\$ 90.00
\$ 175,001	to \$ 200,000	\$ 130.00	\$ 100,001	to \$ 125,000	\$ 115.00
\$ 200,001	to \$ 225,000	\$ 146.00	\$ 125,001	to \$ 150,000	\$ 138.00
\$ 225,001	to \$ 250,000	\$ 163.00	\$ 150,001	to \$ 175,000	\$ 159.00
\$ 250,001	to \$ 275,000	\$ 179.00	\$ 175,001	to \$ 200,000	\$ 179.00
\$ 275,001	to \$ 300,000	\$ 195.00	\$ 200,001	to \$ 225,000	\$ 207.00
\$ 300,001	to \$ 325,000	\$ 211.00	\$ 225,001	to \$ 250,000	\$ 230.00
\$ 325,001	to \$ 350,000	\$ 228.00	\$ 250,001	to \$ 275,000	\$ 253.00
\$ 350,001	to \$ 375,000	\$ 244.00	\$ 275,001	to \$ 300,000	\$ 276.00
\$ 375,001	to \$ 400,000	\$ 260.00	\$ 300,001	to \$ 325,000	\$ 299.00
\$ 400,001	to \$ 425,000	\$ 276.00	\$ 325,001	to \$ 350,000	\$ 322.00
\$ 425,001	to \$ 450,000	\$ 293.00	\$ 350,001	to \$ 375,000	\$ 345.00
\$ 450,001	to \$ 475,000	\$ 309.00	\$ 375,001	to \$ 400,000	\$ 368.00
\$ 475,001	to \$ 500,000	\$ 325.00	\$ 400,001	to \$ 425,000	\$ 391.00
			\$ 425,001	to \$ 450,000	\$ 414.00
			\$ 450,001	to \$ 475,000	\$ 437.00
			\$ 475,001	to \$ 500,000	\$ 460.00

This coverage will protect your property from damage due to the collapse of abandoned underground coal mines. Without this specific coverage, damage caused by mine subsidence is not covered by your policy.

Should you have any questions about this coverage or the program in general, you should contact your agent or call the Indiana Department of Insurance at 1-800-332-4674(in-state) or 317-232-2385.

## ATTENTION POLICYHOLDER

### Notice of Premium Audit

When we issue a General Liability or Workers Compensation insurance coverage, we base its premiums on estimated values over the upcoming policy period, such as payroll, sales or the cost of work subcontracted to others. Throughout the policy period, the actual values may fluctuate from the amounts used to estimate the policy premium.

To determine the actual values developed over the policy period, we may conduct a premium audit at the end of the term by way of an accounting records review. This review may be by telephone, mail, or a physical examination of the business's accounting records by a State Auto representative.

Final premiums are then adjusted up or down, based on how the actual values compared to the originally estimated values.

**Here are some suggestions that can help make the premium audit process take as little of your time as possible, yet result in the most accurate calculation of your actual premium:**

1. Before your scheduled appointment with the auditor, have your payroll and sales records ready for review for the policy period being audited.
2. Payroll should include an itemized list of all employees and all labor used, and their payroll including overtime, commissions and bonuses for each job duty performed.
3. Sales include the total gross income from the sale and/or installation of goods you sold.
4. If you hire any subcontractors, be prepared to provide the names and the total cost of labor and materials used or delivered for use in the execution of work done by each contractor.
5. The auditor will also ask to review the liability certificates of insurance for the subcontractors doing work on your behalf.

We recommend you require certificates of insurance from all of your subcontractors and keep them on file. Not only can this practice help protect you from the financial consequences of losses caused by your subcontractors, it can also help you avoid potentially higher premium charges than if this important risk management control were not in place.

By maintaining proper accounting records and providing information as requested during the premium audit, you help to manage your overall insurance costs.

**Please contact your State Auto agent should you have any questions relating to your policy.**



## ATTENTION CONTRACTORS - IT'S TIME TO SAVE!

Protect yourself from needless costs and liabilities. Follow these important steps when working with subcontractors.

**S**afety programs are essential for your subcontractors as well as your own employees.

For the safety of all workers on your job sites, it's essential that subcontractors observe the loss control regulations you've established for your business.

Make sure that the contracts you sign require your subcontractors to comply with all state safety requirements, as well as your own safety standards. The documents should also specify that if subcontractors in turn hire subcontractors, the latter must also comply.

Clearly state your own safety regulations within the contract. Be sure to describe the steps you will take if any subcontractor fails to correct an unsafe condition on the job. This way, everyone knows what's expected -- and what will happen if standards are not met.

**A**greements with your subcontractors on their responsibilities should be entered into before work begins.

Hold-Harmless Agreements are an important form of protection for your business. When written in your favor, these legal documents confirm that your subcontractors will assume liability for Bodily Injury or Property Damage losses arising from their actions -- whether suffered by the public or by another contractor's employees on the job site.

Hold-Harmless Agreements are a vital supplement to Certificates of Insurance. These documents confirm that subcontractors are responsible for their own work -- as well as their own insurance protection. Make sure that both are received before your subcontractors begin their activities. Remember that these documents should certify protection for the full duration of the subcontractor's job.

**V**erify insurance protection is secured by all subcontractors before work begins.

The subcontractors you hire should carry their own General Liability, Automobile Liability and Workers Compensation insurance. Their failure to do so can cost you in two ways:

- In many states, subcontractors who do not carry their own coverage are treated as your employees for insurance purposes. (Their employees would also be treated as part of your work force.) This may increase the cost of your General Liability and Workers Compensation insurance.

- As general contractor, you may be held responsible for the work of your subcontractors. If they have no insurance, you may have to pay for Bodily Injury or Property Damage losses arising from their actions. State law may also require you to pay for injuries suffered by uninsured subcontractors or their employees, if these injuries occur on your job site.

Help prevent these problems by requiring that all subcontractors supply Certificates of Insurance for General Liability, Auto Liability and Workers Compensation coverages before they start work. File these documents in a secure place -- and check with subcontractors regularly to make certain coverage has not lapsed or been cancelled. Coverage must remain in force for the entire period your subcontractors will be on the job.

While we cannot suggest what limits will be adequate, the following may be used as a guideline. These are the minimum limits required to save you the cost of providing for your Subcontractors' protection under your coverage.

#### **Minimum General Liability Coverage**

- \$300,000 Products/Completed Operations Aggregate
- \$300,000 General Aggregate
- \$300,000 Any One Occurrence (Coverage A)
- \$300,000 Any One Person or Organization (Coverage B)

**NOTE:** Your subcontractors' General Liability coverage must be written on an occurrence basis.

IF THE WORK BEING PERFORMED BY SUBCONTRACTORS IS UNUSUALLY HAZARDOUS, YOU SHOULD REQUIRE HIGHER GENERAL LIABILITY LIMITS. Your agent can help you establish the proper limits for greater-than-average exposures.

#### **Minimum Automobile Liability Coverage**

\$300,000 Each Accident

**NOTE:** Your subcontractors' Auto Liability coverage should be written to cover all owned and non-owned autos.

#### **Minimum Employers Liability Coverage**

(Coverage "B" on the Workers Compensation Policy)

\$100,000 Each Accident

\$100,000 Each Employee for Injury by Disease

\$500,000 Aggregate for Injury by Disease

**E**

nter each job with the security of knowing you've protected yourself and your subcontractors.

Your agent will be glad to answer any questions you have about protection for you and your subcontractors. We encourage you to take these steps today to protect yourself and those who work for you.

## IMPORTANT INFORMATION

This notice describes an additional benefit being provided to you as a State Auto policyholder with Data Compromise Plus coverage. Please review this document carefully and contact your agent if you have any questions.

### STATE AUTO INSURANCE IDENTITY RECOVERY HELP LINE

**1-800-414-9783**

This policy provides you access to the State Auto Insurance Identity Recovery Help Line. The identity recovery help line can provide individuals who qualify as an "identity recovery insured" with:

- 1) Information and advice for how to respond to a possible "identity theft"; and
- 2) Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

An "identity recovery insured" means:

- a. An individual or sole proprietor when the policyholder is described as an Individual or Sole proprietor.
- b. The current partners when the policyholder is described as a partnership.
- c. All the individuals having 20% or more ownership interest for policyholders described as a corporation or other organization. However, if no one has an ownership position of 20% or more, then the "identity recovery insured" will be the chief executive officer or with respect to a religious institution, the senior ministerial employee.

No coverage is provided by this notice nor can it be construed to replace any provision of your policy. This notice is only intended to bring more attention to this valuable service which is part of the Data Compromise Plus coverage you have elected to purchase. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.

Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to increase or reduce your limits, please contact your independent State Auto Insurance agent.

## **Be Prepared for a Data Breach!**

### **Check Out The eRisk Hub Risk Management Portal!**

You've taken a great first step toward protecting your business from a data breach by purchasing a State Auto business insurance policy with our exclusive Data Compromise Plus coverage.

However, if your organization suffers a data breach, would you be prepared? As we all know from the news, even very large companies aren't always ready to respond. Yet, when a breach occurs, time is of the essence.

Now you can develop an effective data breach response plan in advance of a crisis that can help you be prepared, protect your customer relationships, and protect your business reputation.

As part of your Data Compromise Plus coverage, State Auto provides you an online data breach portal that equips you with a risk management tool to help you be prepared should a breach occur. There is no cost to you! This is a complimentary service to you as a State Auto Data Compromise Plus policyholder.

The portal is called **eRisk Hub**, and it's designed to help you better understand your risks and establish a response plan so you can minimize the financial effects of a data breach should one occur.

### **Key Features of the eRisk Hub Portal**

- \* Incident Response Plan Roadmap – suggested steps to take following a data breach
- \* Online Training Modules – ready-to-use training on privacy Best Practices and Red Flag Rules
- \* Risk Management Tools – assist you in managing our cyber risk, including state notification laws
- \* News Center – cyber risk and security news stories, helpful industry links, security blogs
- \* Learning Center – Best Practices stories and webinars from leading cyber security experts
- \* eRisk Resources – a directory to quickly find external resources on pre- and post-breach disciplines

### **Register for eRisk Hub Now**

To access the eRisk Hub portal, all you need to do is register and set up your unique User ID and Password. Just follow these steps:

- \* Go to [www.stateauto.com](http://www.stateauto.com) and click on Insurance at the top of the page. Next, select Business in the left menu box. Use the link on the right of the page titled **Data Compromise Plus**. From this page, click on the link **eRisk Hub** in the center of the page.
- \* Complete the information in the center of the page, including your name and company. Please note that your User ID and Password are case-sensitive.
- \* Enter your assigned **access code: 12116-4**.
- \* Enter the challenge word on the screen and click "Submit".
- \* You will get a "Registration Complete" message on the next screen. You can now login to the portal.



## **POLICYHOLDER DISCLOSURE - LEAD EXCLUSION**

This notice provides a brief synopsis of conditions of this coverage that are restrictive in nature. Please contact your agent if you need to maintain any protection that is described as either reduced or deleted.

**This notice does not alter or amend the policy. You should read your policy and review your declaration page for complete information on the coverage you are provided. If there are any inconsistencies between the policy and this document, the policy language takes precedence. The policy is the sole source of the terms and conditions applicable to this coverage.**

This policy excludes coverage for injury or damage resulting from the exposure to lead or products containing lead. This includes but is not limited to any request, demand or order to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of lead or lead compounds.

**No coverage is provided by this summary nor can it be construed to replace any provision of your policy. This notice is not a contract. It provides only a general overview of exclusionary language. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.**

**Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to alter coverage, please contact your independent State Auto agent.**

**PN 02 33 07 07 Page 1 of 1**

\*//\*PN 02 33 07 07

## **POLICYHOLDER DISCLOSURE - ASBESTOS EXCLUSION**

This notice provides a brief synopsis of conditions of this coverage that are restrictive in nature. Please contact your agent if you need to maintain any protection that is described as either reduced or deleted.

**This notice does not alter or amend the policy. You should read your policy and review your declaration page for complete information on the coverage you are provided. If there are any inconsistencies between the policy and this document, the policy language takes precedence. The policy is the sole source of the terms and conditions applicable to this coverage.**

This policy excludes coverage for injury or damage resulting from the exposure to asbestos or products containing asbestos. This includes but is not limited to the installation of asbestos products, the removal of any asbestos products, manufacture, transportation, storage or disposal of asbestos or asbestos containing products.

**No coverage is provided by this summary nor can it be construed to replace any provision of your policy. This notice is not a contract. It provides only a general overview of exclusionary language. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.**

**Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to alter coverage, please contact your independent State Auto agent.**

**PN 02 34 07 07 Page 1 of 1**

\*//\*PN 02 34 07 07

## **POLICYHOLDER DISCLOSURE - LIMITED COVERAGE FOR TERRORISM**

This notice provides a brief synopsis of conditions of this coverage that are restrictive in nature. Please contact your agent if you need to maintain any protection that is described as either reduced or deleted.

**This notice does not alter or amend the policy. You should read your policy and review your declaration page for complete information on the coverage you are provided. If there are any inconsistencies between the policy and this document, the policy language takes precedence. The policy is the sole source of the terms and conditions applicable to this coverage.**

This policy excludes coverage for injury or damage from nuclear, biological or chemical terrorism that is not considered a "certified act of terrorism" as defined in the federal Terrorism Risk Insurance Act of 2002.

This policy provides limited coverage for "certified acts of terrorism". The most we will pay for all damages from a "certified act of terrorism" is the amount required of us under the terms of the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 defines a "certified act of terrorism" as 1) an act which results in aggregate losses in excess of \$5 million; and 2) the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**No coverage is provided by this summary nor can it be construed to replace any provision of your policy. This notice is not a contract. It provides only a general overview of exclusionary language. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.**

**Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to alter coverage, please contact your independent State Auto agent.**

**PN0237 (07/07) Page 1 of 1**

\*//\*PN0237-200707

## SPECIAL ACCOUNT POLICY COMMON DECLARATIONS

NAMED INSURED AND MAILING ADDRESS: First Named Insured Is Specified To Be: <b>THOMPSON THRIFT HOLDING COMPANY LLC;</b> <b>901 WABASH AVE STE 300</b> <b>TERRE HAUTE, IN 47807</b>		AGENT NAME AND ADDRESS: <b>ONI RISK PARTNERS INC.</b> <b>PO BOX 80159</b> <b>INDIANAPOLIS, IN 46280</b>	
POLICY PERIOD: <b>From: 12/01/2021 To: 12/01/2022</b>		AGENT TELEPHONE NUMBER: <b>(812) 478-6000</b>	AGT. NO. <b>0054162</b>
COVERAGE PROVIDED BY: <b>State Auto Property and Casualty Insurance Co.</b>		A STATE AUTO INSURED SINCE: <b>2019</b>	
AUDITABLE POLICY: <b>No</b>	POLICY STATUS: <b>Renewal</b>	AFTER-HOURS CLAIMS SERVICE: <b>1-877-SA-CLAIM or www.stateauto.com</b>	

The coverage and these declarations are effective 12:01 AM Standard Time on **12/01/2021** at the above mailing address.

BUSINESS ENTITY TYPE: <b>Ltd Liability Co</b>	BILLING ACCOUNT NUMBER: <b>AC00054162</b>	BILLING QUESTIONS? <b>(812) 478-6000</b>
BUSINESS DESCRIPTION: <b>Apartments</b>		

Upon valid payment of premium when due, these renewal declarations continue your policy for the period indicated. In return for the payment of the premium and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

### PREMIUM SUMMARY BY COVERAGE PARTS AND POLICIES

This policy consists of the following coverage parts or policies for which a premium is indicated. This premium may be subject to adjustment.

COVERAGE PARTS	PREMIUMS
Commercial General Liability Coverage Part	\$74,033.00
<b>SELF-CONTAINED POLICIES</b>	
Commercial Umbrella Policy	\$44,225.00
Terrorism (included in total below)	\$598.00
<b>POLICY TOTAL AT INCEPTION</b>	<b>\$118,258.00</b>

These declarations together with the Common Policy Conditions and coverage form(s) and any endorsement(s) identified on these declarations and attached to your policy complete the above numbered policy.

Countersigned \_\_\_\_\_ By \_\_\_\_\_  
(Date) (Authorized Representative)



**FORMS AND ENDORSEMENTS**  
**APPLICABLE TO ALL COVERAGE PARTS**

NEW	FORM OR ENDORSEMENT AND EDITION DATE	ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
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	SI 00 17 11 98	Common Policy Conditions
	SI 10 08 01 16	Common Policy Jacket
	SI 11 00 01 04	Installment Payments
	IL 00 03 09 08	Calculation of Premium
	IL 01 17 12 10	Indiana Changes - Workers Compensation Exclusion
	IL 02 72 09 07	Indiana Changes - Cancellation and Nonrenewal
	IL 02 74 02 13	Missouri Changes - Cancellation and Nonrenewal
	IL 02 58 12 14	ARIZONA CHANGES - CANCELLATION AND NONRENEWAL
*	PN 00 83 01 15	Notice of Terrorism Insurance Coverage
*	PN 01 05 01 15	Notice of Terrorism Insurance Coverage
*	IL 09 10 07 02	Pennsylvania Notice
*	IL 02 46 09 07	Pennsylvania Changes - Cancellation and Nonrenewal

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

## NAMED INSURED AND MAILING ADDRESS

In addition to the First Named Insured shown on page 001  
of this Declarations, the following are also named insureds:

Business Entity Type

WATERMARK RETREAT ATSIENNA  
PLANTATION, LLC;  
WATERMARK AT TIMBERGATE CORPUS  
CHRISTI, LLC;

Ltd Liability Co

WATERMARK VILLAS AT  
WHITESTOWN, LLC

Ltd Liability Co

WATERMARK AT SPRING TX, LLC;  
WATERMARK AT CRANBERRY PA  
DEVELOPMENT LLC

Ltd Liability Co

WATERMARK AT CONROE TX, LLC;  
WATERMARK AT EDGEWOOD KC  
MOLLC;  
WATERMARK AT PEORIA AZ, LLC

Ltd Liability Co

SI 50 01 (01/04)



**SPP 2505525 01**

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

### COMMERCIAL GENERAL LIABILITY COVERAGE LIMITS OF INSURANCE:

Each Occurrence Limit	\$1,000,000	
Damage To Premises Rented To You Limit	\$100,000	Any One Premises
Medical Expense Limit	\$5,000	Any One Person
Personal And Advertising Injury Limit	\$1,000,000	Any One Person or Organization
General Aggregate Limit	\$2,000,000	
Products - Completed Operations Aggregate Limit	\$2,000,000	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy** **PREMISES 0001**

<u>Location Address</u>	<u>Territory</u>
8811 Sienna Springs Drive Missouri City, TX 77459	003

CLASS CODE	CLASSIFICATION DESCRIPTION
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48925 Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	1 Swimming Pools
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$272.194	
ADVANCE PREMIUMS		\$272	

CLASS CODE	CLASSIFICATION DESCRIPTION
------------	----------------------------

60010 Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	312 Units
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$20.938	
ADVANCE PREMIUMS		\$6,533	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0001**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
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61212      Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only)  
Other Than Not-For-Profit  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	5,543 Square Feet
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	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$22.508	
<b>ADVANCE PREMIUMS</b>		\$125	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0002**

**Location Address**

5721 Timbergate Drive  
Corpus Christi, TX 78414

**Territory**

003

CLASS CODE	CLASSIFICATION DESCRIPTION
------------	----------------------------

48925      Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	1 Swimming Pools
----------------------	------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$272.194	
<b>ADVANCE PREMIUMS</b>		\$272	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0002**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
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60010      Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	324 Units
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	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$20.938	
<b>ADVANCE PREMIUMS</b>		\$6,784	

CLASS CODE	CLASSIFICATION DESCRIPTION
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61212      Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only)  
Other Than Not-For-Profit  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	8,616 Square Feet
----------------------	-------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$22.508	
<b>ADVANCE PREMIUMS</b>		\$194	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0004**

**Location Address**

7145 Anderson Drive  
Zionsville, IN 46077

**Territory**

506

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0004**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
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48925      Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	1 Swimming Pools
---------------	------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$296.095	
<b>ADVANCE PREMIUMS</b>		\$296	

CLASS CODE	CLASSIFICATION DESCRIPTION
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60010      Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	266 Units
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	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$32.735	
<b>ADVANCE PREMIUMS</b>		\$8,708	

CLASS CODE	CLASSIFICATION DESCRIPTION
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61212      Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only)  
Other Than Not-For-Profit  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	5,604 Square Feet
---------------	-------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$33.963	
<b>ADVANCE PREMIUMS</b>		\$190	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

<b>SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy</b>	<b>PREMISES 0017</b>
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**Location Address**

7203 Nw Grand Pkwy  
Spring, TX 77379

**Territory**

003

<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>
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48925 Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	1 Swimming Pools
----------------------	------------------

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1	\$272.194	
<b>ADVANCE PREMIUMS</b>		\$272	

<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>
-------------------	-----------------------------------

60010 Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	336 Units
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	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1	\$20.938	
<b>ADVANCE PREMIUMS</b>		\$7,035	



## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy** **PREMISES 0017** **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
------------	----------------------------

61212 Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only)  
Other Than Not-For-Profit  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	6,766 Square Feet
----------------------	-------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$22.508	
<b>ADVANCE PREMIUMS</b>		\$152	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy** **PREMISES 0018**

**Location Address**

300 Town Park Dr  
Conroe, TX 77304

**Territory**

003

CLASS CODE	CLASSIFICATION DESCRIPTION
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48925 Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	1 Swimming Pools
----------------------	------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$272.194	
<b>ADVANCE PREMIUMS</b>		\$272	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0018**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
------------	----------------------------

60010      Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	288 Units
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	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$20.938	
<b>ADVANCE PREMIUMS</b>		\$6,030	

CLASS CODE	CLASSIFICATION DESCRIPTION
------------	----------------------------

61212      Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only)  
Other Than Not-For-Profit  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

PREMIUM BASIS	6,940 Square Feet
---------------	-------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$22.508	
<b>ADVANCE PREMIUMS</b>		\$156	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0019**

**Location Address**

8101 Nw Barrybrooke Drive  
Kansas City, MO 64151

**Territory**

501

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0019**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
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48925      Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	1 Swimming Pools
----------------------	------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$221.982	
<b>ADVANCE PREMIUMS</b>		\$222	

CLASS CODE	CLASSIFICATION DESCRIPTION
------------	----------------------------

60010      Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	276 Units
----------------------	-----------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$33.687	
<b>ADVANCE PREMIUMS</b>		\$9,298	

CLASS CODE	CLASSIFICATION DESCRIPTION
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61212      Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only)  
Other Than Not-For-Profit  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	4,827 Square Feet
----------------------	-------------------

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$40.112	
<b>ADVANCE PREMIUMS</b>		\$194	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

<b>SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy</b>	<b>PREMISES 0020</b>
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<u><b>Location Address</b></u>	<u><b>Territory</b></u>
24701 N Lake Pleasant Pkwy Peoria, AZ 85383	502

<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>
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48925 Swimming Pools  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	1 Swimming Pools
----------------------	------------------

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1	\$312.155	
<b>ADVANCE PREMIUMS</b>		\$312	

<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>
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60010 Apartment Buildings  
Product-Completed Operations Are Included, Subject To The General Aggregate Limit

<b>PREMIUM BASIS</b>	140 Units
----------------------	-----------

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1	\$30.453	
<b>ADVANCE PREMIUMS</b>		\$4,263	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0020**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	1,383 Square Feet

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$24.038	
<b>ADVANCE PREMIUMS</b>		\$33	

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0021**

<u>Location Address</u>	<u>Territory</u>
2545 Rochester Road Cranberry TwP., PA 16066	513

CLASS CODE	CLASSIFICATION DESCRIPTION
48925	Swimming Pools Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	1 Swimming Pools

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$658.049	
<b>ADVANCE PREMIUMS</b>		\$658	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

**SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy**      **PREMISES 0021**      **Continued**

CLASS CODE	CLASSIFICATION DESCRIPTION
60010	Apartment Buildings Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	276 Units

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1	\$68.304	
<b>ADVANCE PREMIUMS</b>		\$18,852	

CLASS CODE	CLASSIFICATION DESCRIPTION
61212	Buildings Or Premises - Bank Or Office - Mercantile Or Manufacturing (Lessor's Risk Only) Other Than Not-For-Profit Product-Completed Operations Are Included, Subject To The General Aggregate Limit
<b>PREMIUM BASIS</b>	8,490 Square Feet

	Per	Premises/Operations	Products/Completed Operations
<b>RATE</b>	1000	\$57.562	
<b>ADVANCE PREMIUMS</b>		\$489	

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

<b>SCHEDULE OF PREMISES</b>	<b>Continued</b>
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<b>LOCATION RATING CODE</b>	9999	<b>TERRITORY</b>	003
<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>		
24123	Hired And Non Owned Auto Liability		
<b>PREMIUM BASIS</b>	25 *****		

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1	\$179.000	
<b>ADVANCE PREMIUMS</b>		\$179	

<b>LOCATION RATING CODE</b>	9999	<b>TERRITORY</b>	003
<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>		
49950	Notice Of Cancellation - Scheduled Party SI 10 20		
<b>PREMIUM BASIS</b>	3 Addl Interest		

	<b>Per</b>	<b>Premises/Operations</b>	<b>Products/Completed Operations</b>
<b>RATE</b>	1	\$35.000	
<b>ADVANCE PREMIUMS</b>		\$105	

<b>LOCATION RATING CODE</b>	9999	<b>TERRITORY</b>	003
<b>CLASS CODE</b>	<b>CLASSIFICATION DESCRIPTION</b>		
84000	Liability Plus Endorsement (See SL 1206 Attached)		
<b>PREMIUM BASIS</b>	% Of GL Premium	<b>PREMIUM</b>	\$717

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

### SCHEDULE OF PREMISES

Continued

CLASS CODE	CLASSIFICATION DESCRIPTION
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25122	Data Compromise Plus Coverage \$100,000
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PREMIUM BASIS	PER	RATE	ADVANCE PREMIUM
1 Units	1	\$439.024	\$439

CLASS CODE	CLASSIFICATION DESCRIPTION
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26003	Comp Atck/Cyber Liab Lmts \$100,000/\$100,000(Incrd Extortion)
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PREMIUM BASIS	PER	RATE	ADVANCE PREMIUM
1 Units	1	\$383.000	\$383

### PREMIUM

Terrorism (included in total below)	\$598
Total Advance Premium (Subject To Audit):	\$74,033



**FORMS AND ENDORSEMENTS**  
**APPLICABLE TO THE COMMERCIAL GENERAL LIABILITY COVERAGE PART**

<b>NEW</b>	<b>FORM OR ENDORSEMENT AND EDITION DATE</b>	<b>ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)</b>
	IL 00 21 09 08	Nuclear Energy Exclusion
	CG 00 01 04 13	Commercial General Liability Coverage Form
	SL 20 02 01 06	Asbestos Exclusion
	SL 20 04 01 06	Exclusion - Lead Liability
	CG 24 26 04 13	Amendment of Insured Contract Definition
	SL 20 51 12 11	Amendment of Contractual Liability Exclusion
	CG 21 06 05 14	Exclusion - Access or Disclosure of Confidential or Personal Information And Data-related Liability - With Limited Bodily Injury Exception Endorsement
	IL 00 17 11 98	Common Policy Conditions
	CG 21 70 01 15	Cap on Losses From Certified Acts of Terrorism
	CG 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
	IL 02 75 11 13	Texas Changes - Cancellation and Nonrenewal Provisions
	CG 01 03 06 06	Texas Changes
	IL 01 68 03 12	Texas Changes - Duties
	CG 21 67 12 04	Fungi or Bacteria Exclusion
	CG 26 39 04 99	Texas Changes - Employment - Related Practices Exclusion
	CG 25 04 05 09	Designated Location(s) General Aggregate Limit
	CG 21 44 07 98	Limitation of Coverage To Designated Premises/Projects
	CG 21 47 12 07	Employment - Related Practices Exclusion
	CG 21 70 01 08	Cap on Losses From Certified Acts of Terrorism
	CG 21 76 01 08	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
	IL 01 58 09 08	Indiana Changes
	SL 20 41 03 18	Indiana Changes - Pollution Exclusion (CGL)
	SL 20 52 06 12	Missouri Changes - Pollution Exclusion (CGL)
	CG 26 25 04 05	Missouri Changes - Guaranty Association
	CG 26 43 12 04	Missouri Changes - Binding Arbitration
	CG 21 15 04 17	Missouri - Limitation Of Coverage To Designated Premises, Project Or Operation
	SL 11 05 04 10	Hired Auto and Non-Owned Auto Liability
	SI 10 20 06 10	Notice of Cancellation - Scheduled Party
	SL 12 06 12 15	Texas - Liability Plus Endorsement
	SL 31 03 05 16	Data Compromise Plus Endorsement
	CY 50 00 06 16	CyberSecure Coverage Declarations

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

**FORMS AND ENDORSEMENTS**  
**APPLICABLE TO THE COMMERCIAL GENERAL LIABILITY COVERAGE PART**

NEW	FORM OR ENDORSEMENT AND EDITION DATE	ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
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	CY 01 42 06 16	Texas Changes
	CY 00 01 06 16	CyberSecure Coverage Form
	CG 20 18 04 13	Additional Insured - Mortgagee, Assignee, or Receiver
	CG 04 30 09 99	Pollution Exclusion Limited Exception - Designated Pollution
*	PN 00 83 01 15	Notice of Terrorism Insurance Coverage
*	IL 09 85 01 15	Disclosure Pursuant to Terrorism Risk Insurance Act
*	IL 09 90 01 15	Missouri - Disclosure Pursuant to Terrorism Risk Insurance Act
*	CG 21 35 10 01	Exclusion - Coverage C Medical Payments
*	SL 00 65 06 09	Amendment of Occurrence
*	CG 25 04 03 97	Designated Location(s) General Aggregate Limit

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

**ADDITIONAL INTERESTS/INSURED**  
**COMMERCIAL GENERAL LIABILITY**

OTHER INTERESTS	TYPE	LOC/BLDG
WILMINGTON TRUST, NATL ASSOC AS TRUSTEE FOR CITIGROUP PO BOX 25965 SHAWNEE MISSION, KS 66225	Notice of Cancellation - Scheduled Party	
FREDDIE MAC ISAOA C/O GREYSTONE SERVICING CO LLC 419 BELLE AIR LANE WARRENTOWN, VA 20816	Notice of Cancellation - Scheduled Party	
FANNIE MAE ISAOA/ATIMA 11501 OUTLOOK ST, STE 300 MAIL STOP KS 01-11 SHAWNEE MISSION, KS 66211	Notice of Cancellation - Scheduled Party	
COMPASS BANK, ISAOA, ATIMA 8333 DOUGLAS AVE, STE 505 DALLAS, TX 75225	Mortgagee, Assignee, Receiver - Liability	0001 / 001
FREDDIE MAC ISAOA C/O GREYSTONE SERVICING LLC 419 BELLA AIR LANE WARRENTON, VA 20186	Mortgagee, Assignee, Receiver - Liability	0001 / 001
WILMINGTON TRUST, NAT'L ASSOC AS TRUSTEE FOR CITIGROUP PO BOX 25965 SHAWNEE MISSION, KS 66225	Mortgagee, Assignee, Receiver - Liability	0002 / 001
GREP SOUTH LP 750 BERING DRIVE, STE 300 HOUSTON, TX 77057	Mortgagee, Assignee, Receiver - Liability	0002 / 001
FIRST MERCHANTS BANK PO BOX 5221 NORWELL, MA 02061	Mortgagee, Assignee, Receiver - Liability	0003 / 001

**ADDITIONAL INTERESTS/INSUREDS**  
**COMMERCIAL GENERAL LIABILITY**

OTHER INTERESTS	TYPE	LOC/BLDG
FANNIE MAE, ISAOA, ATIMA 11501 OUTLOOK ST, STE 300 MAIL STOP 5S 01-11-0501 SHAWNEE MISSION, KS 66211	Mortgagee, Assignee, Receiver - Liability	0004 / 001
FLAGSTAR BANK FSB ISAOA MAIL STOP E-203-3 5151 CORPORATE DRIVE TROY, MI 48098	Mortgagee, Assignee, Receiver - Liability	0015 / 001
PINNACLE BANK PO BOX 702726 DALLAS, TX 75370	Mortgagee, Assignee, Receiver - Liability	0018 / 001
ASSOCIATED BANK NA ISAOA PO BOX 12768 GREEN BAY, WI 54307	Mortgagee, Assignee, Receiver - Liability	0019 / 001



**SPP 2505525 01**

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## COMMERCIAL UMBRELLA POLICY DECLARATIONS

NAMED INSURED AND MAILING ADDRESS: First Named Insured Is Specified To Be: <b>THOMPSON THRIFT HOLDING COMPANY LLC;</b> <b>901 WABASH AVE STE 300</b> <b>TERRE HAUTE, IN 47807</b>		AGENT NAME AND ADDRESS: <b>ONI RISK PARTNERS INC.</b> <b>PO BOX 80159</b> <b>INDIANAPOLIS, IN 46280</b>	
POLICY PERIOD: <b>From: 12/01/2021 To: 12/01/2022</b>		AGENT TELEPHONE NUMBER: <b>(812) 478-6000</b>	AGT. NO. <b>0054162</b>
COVERAGE PROVIDED BY: <b>State Auto Property and Casualty Insurance Co.</b>		A STATE AUTO INSURED SINCE: <b>2019</b>	
AUDITABLE POLICY: <b>No</b>	POLICY STATUS: <b>Renewal</b>	AFTER-HOURS CLAIMS SERVICE: <b>1-877-SA-CLAIM or www.stateauto.com</b>	

The coverage and these declarations are effective 12:01 AM Standard Time on **12/01/2021** at the above mailing address.

BUSINESS ENTITY TYPE: <b>Ltd Liability Co</b>	BILLING ACCOUNT NUMBER: <b>AC00054162</b>	BILLING QUESTIONS? <b>(812) 478-6000</b>
BUSINESS DESCRIPTION: <b>Apartments</b>		

Upon valid payment of premium when due, these renewal declarations continue your policy for the period indicated. In return for the payment of the premium and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

### PREMIUM SUMMARY BY COVERAGE PARTS AND POLICIES

This policy consists of the following coverage parts or policies for which a premium is indicated. This premium may be subject to adjustment.

SELF-CONTAINED POLICIES	PREMIUMS
Commercial Umbrella Policy	<b>\$44,225.00</b>
Terrorism (included in above amount)	<b>Included</b>

These declarations together with the Common Policy Conditions and coverage form(s) and any endorsement(s) identified on these declarations and attached to your policy complete the above numbered policy.

Countersigned \_\_\_\_\_ By \_\_\_\_\_  
(Date) (Authorized Representative)

**FORMS AND ENDORSEMENTS**  
**APPLICABLE TO ALL COMMERCIAL UMBRELLA POLICY**

<b>NEW</b>	<b>FORM OR ENDORSEMENT AND EDITION DATE</b>	<b>ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)</b>
	CXS 00 01 12 15	Commercial Umbrella Coverage Form
	SI 10 08 01 16	Common Policy Jacket
	CXS 00 42 11 13	Texas Changes
	CXS 23 00 05 14	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-related Liab - Lmt'd Bodily Except Not Incl
	CXS 21 70 01 15	Cap on Losses From Certified Acts of Terrorism
	CXS 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
	CXS 21 67 12 04	Fungi or Bacteria Exclusion
	CXS 40 30 01 07	Texas Exclusion - Owned Auto
	CXS 21 44 07 98	Limitation of Coverage To Designated Premises or Project
	CXS 40 05 07 98	Exclusion - Employers Liability
*	PN 00 83 01 15	Notice of Terrorism Insurance Coverage
*	IL 09 85 01 15	Disclosure Pursuant to Terrorism Risk Insurance Act

\*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.

## COMMERCIAL UMBRELLA COVERAGE DECLARATIONS

### LIMIT OF INSURANCE:

Policy Aggregate Limit	\$15,000,000
Self-Insured Retention	\$0 Each Incident or Offense not Covered by Underlying Insurance

### PREMIUM

\* Total Advance Premium (Subject To Audit): \$44,225  
Includes Terrorism Coverage Premium

### SCHEDULE OF UNDERLYING INSURANCE

#### Employers Liability

Excluded

#### Auto Liability

Underlying Insurer: State Automobile Mutual Insurance Company

Policy Number: SPP 2505525 01

Policy Period: From: 12/01/2021 To: 12/01/2022

Limits of Liability

Each Accident	\$1,000,000
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#### General Liability

Underlying Insurer: State Auto Property and Casualty Insurance Co.

Policy Number: SPP 2505525 01

Policy Period: From: 12/31/2021 To: 12/31/2022

Limits of Liability

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000



## COMMERCIAL UMBRELLA COVERAGE DECLARATIONS

### SCHEDULE OF UNDERLYING INSURANCE

Continued

#### General Liability

Underlying Insurer: State Automobile Mutual Insurance Company

Policy Number: SPP 2505439 01

Policy Period: From: 10/08/2021 To: 10/08/2022

#### Limits of Liability

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000

#### General Liability

Underlying Insurer: State Auto Property and Casualty Insurance Co.

Policy Number: SPP 2505527 01

Policy Period: From: 12/01/2021 To: 12/01/2022

#### Limits of Liability

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PENNSYLVANIA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A. The **Cancellation** Common Policy Condition is replaced by the following:

### **CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by writing or giving notice of cancellation.

2. **Cancellation Of Policies In Effect For Less Than 60 Days**

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 30 days before the effective date of cancellation.

3. **Cancellation Of Policies In Effect For 60 Days Or More**

If this policy has been in effect for 60 days or more or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- a. You have made a material misrepresentation which affects the insurability of the risk. Notice of cancellation will be mailed or delivered at least 15 days before the effective date of cancellation.
- b. You have failed to pay a premium when due, whether the premium is payable directly to us or our agents or indirectly under a premium finance plan or extension of credit. Notice of cancellation will be mailed at least 15 days before the effective date of cancellation.
- c. A condition, factor or loss experience material to insurability has changed substantially or a substantial condition, factor or loss experience material to

insurability has become known during the policy period. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.

- d. Loss of reinsurance or a substantial decrease in reinsurance has occurred, which loss or decrease, at the time of cancellation, shall be certified to the Insurance Commissioner as directly affecting in-force policies. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- e. Material failure to comply with policy terms, conditions or contractual duties. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- f. Other reasons that the Insurance Commissioner may approve. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.

This policy may also be cancelled from inception upon discovery that the policy was obtained through fraudulent statements, omissions or concealment of facts material to the acceptance of the risk or to the hazard assumed by us.

4. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. Notice of cancellation will state the specific reasons for cancellation.
5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.



6. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata and will be returned within 10 business days after the effective date of cancellation. If the first Named Insured cancels, the refund may be less than pro rata and will be returned within 30 days after the effective date of cancellation. The cancellation will be effective even if we have not made or offered a refund.
  7. If notice is mailed, it will be by registered or first class mail. Proof of mailing will be sufficient proof of notice.
- B.** The following are added and supersede any provisions to the contrary:

**1. Nonrenewal**

If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal, stating the specific reasons for nonrenewal, to the first Named Insured at least 60 days before the expiration date of the policy.

**2. Increase Of Premium**

If we increase your renewal premium, we will mail or deliver to the first Named Insured written notice of our intent to increase the premium at least 30 days before the effective date of the premium increase.

Any notice of nonrenewal or renewal premium increase will be mailed or delivered to the first Named Insured's last known address. If notice is mailed, it will be by registered or first class mail. Proof of mailing will be sufficient proof of notice.

**IL0246 (09/07) Page 2 of 2**

\*//•IL0246 - 200709

ISO Properties, Inc., 2006

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**DISCLOSURE PURSUANT TO TERRORISM RISK  
INSURANCE ACT  
SCHEDULE**

<b>SCHEDULE - PART I</b>
<p><b>Terrorism Premium (Certified Acts) \$</b></p> <p><b>This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):</b></p> <p><u>The terrorism premium and applicable Coverages displayed on the declaration pages of this policy represent the charge for Terrorism Coverage for this policy term.</u></p> <p><b>Additional information, if any, concerning the terrorism premium:</b></p>
<p><b>SCHEDULE - PART II</b></p> <p><b>Federal share of terrorism losses <u>80</u> % Year: 20 <u>20</u> and later</b>  (Refer to Paragraph B. in this endorsement.)</p> <p><b>Federal share of terrorism losses <u>n/a</u> % Year: 20 <u>n/a</u></b>  (Refer to Paragraph B. in this endorsement.)</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment  
Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**MISSOURI - DISCLOSURE PURSUANT TO TERRORISM  
RISK INSURANCE ACT**

**SCHEDULE**

**SCHEDULE - PART I**

**Terrorism Premium (Certified Acts) \$**

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):

The terrorism premium and applicable Coverages displayed on the declaration pages of this policy represent the charge for Terrorism Coverage for this policy term.

**Additional information, if any, concerning the terrorism premium:**

**SCHEDULE - PART II**

**Federal share of terrorism losses 80 % Year: 2020 and later**

(Refer to Paragraph B. in this endorsement)

**Federal share of terrorism losses n/a % Year: 20 n/a**

(Refer to Paragraph B. in this endorsement)

**NOTE: The premium above is for certain losses resulting from certified acts of terrorism as covered pursuant to coverage provisions, limitations and exclusions in this policy. You should read the definition in your policy carefully, but generally speaking, "certified" acts of terrorism are acts that exceed \$5 million in aggregate losses to the insurance industry and which are subsequently declared by the U.S. Secretary of the Treasury as a certified terrorist act under the Terrorism Risk Insurance Act. Some losses resulting from certified acts of terrorism are not covered. Read your policy and endorsements carefully.**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment  
Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**POLLUTION EXCLUSION - LIMITED EXCEPTION  
FOR DESIGNATED POLLUTANT(S)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Designated "Pollutant(s)"**

(If no entry appears above, the information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exception to Exclusion f. under Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability is added:

Subparagraphs (1)(a) and (1)(d) do not apply to "bodily injury" or "property damage" arising out of the discharge, dispersal, seepage, migration, release or escape of the "pollutant(s)" listed in the Schedule of this endorsement and used in connection with the insured's operations.

This exception does not apply to the discharge, dispersal, seepage, migration, release or escape of a "pollutant" listed in the schedule of this endorsement which takes place while such "pollutant" is being:

- (a) Transported, handled, stored, treated, disposed of, or processed as waste; or
- (b) Transported or stored for others.

**CG 04 30 09 99 Page 1 of 1**

\*//CG 04 30 09 99

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - COVERAGE C - MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

**Description And Location Of Premises Or Classification:**

ALL LOCATIONS

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any premises or classification shown in the Schedule:

1. Section I - Coverage C - Medical Payments does not apply and none of the references to it in the Coverage Part apply: and

2. The following is added to Section I - Supplementary Payments:

- h. Expenses incurred by the insured for first aid administered to others at the time of an accident for "bodily injury" to which this insurance applies.

**CG 21 35 10 01 Page 1 of 1**

\*//CG 21 35 10 01

ISO Properties, Inc., 2000

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DESIGNATED LOCATION(S)  
GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:  
**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

**Designated Location(s):**

EACH OF YOUR "LOCATIONS" OWNED  
BY OR RENTED TO YOU

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which can be attributed only to operations at a single designated "location" shown in the Schedule above:
1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under **COVERAGE C** regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate
- Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:
1. Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Location General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.
- D.** For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:  
"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E.** The provisions of Limits Of Insurance (**SECTION III**) not otherwise modified by this endorsement shall continue to apply as stipulated.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DATA COMPROMISE PLUS

### RESPONSE EXPENSES DEFENSE AND LIABILITY IDENTITY RECOVERY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Coverage under this endorsement is subject to the following:

#### SCHEDULE

##### SECTION 1 - RESPONSE EXPENSES

Data Compromise Response Expenses Limit:	\$100,000 Annual Aggregate
Sublimits:	
Named Malware (Sec. 1)	\$50,000 Any on "Personal Data Compromise"
Forensic IT Review:	\$5,000 Any one "Personal Data Compromise"
Legal Review:	\$5,000 Any one "Personal Data Compromise"
PR Services:	\$5,000 Any one "Personal Data Compromise"
Regulatory Fines And Penalties	\$10,000 Any one "Personal Data Compromise"
PCI Fines And Penalties	\$10,000 Any one "Personal Data Compromise"
Response Expenses Deductible:	\$2,500 Any one "Personal Data Compromise"

##### SECTION 2 - DEFENSE AND LIABILITY

Data Compromise Defense and Liability Limit:	\$100,000 Annual Aggregate
Sublimit:	
Named Malware (Sec. 2)	\$50,000 Any one "Personal Data Compromise"
Defense and Liability Deductible:	\$2,500 Each "Data Compromise Suit"

##### SECTION 3 - IDENTITY RECOVERY

Case Management Service:	Service for any one "identity theft" for up to 12 months
Expense Reimbursement Limit:	\$15,000 Annual Aggregate
Expense Reimbursement Deductible:	\$250 Any one "identity recovery insured"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

##### SECTION 1 - RESPONSE EXPENSES DATA COMPROMISE COVERED CAUSE OF LOSS

Coverage under this Data Compromise Plus Coverage endorsement applies only if all of the following conditions are met:

1. There has been a "personal data compromise"; and
2. Such "personal data compromise" is first discovered by you during the policy period for which this Data Compromise Plus Coverage endorsement is applicable; and
3. Such "personal data compromise" is reported to us within 90 days after the date it is first discovered by you.

##### COVERAGE - SECTION 1

If the three conditions listed above in DATA COMPROMISE - COVERED CAUSE OF LOSS have been met, then we will provide coverage for the following expenses when they arise directly from the covered cause of loss and are necessary and reasonable. Coverages 4 and 5 apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under coverage 3.

Please note that service providers must be approved by us as described in Additional Condition 6. - **Service Providers.**

##### 1. Forensic Information Technology Review

Professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- a. Vulnerabilities in systems, procedures or physical security;
- b. Compliance with PCI or other industry security standards; or
- c. The nature or extent of loss or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic Information Technology Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

## 2. Legal Review

Professional legal counsel review of the "personal data compromise" and how you should best respond to it.

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

## 3. Notification to "Affected Individuals"

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

## 4. Services to "Affected Individuals"

We will pay your necessary and reasonable costs to provide the following services to "affected individuals".

- a. The following services apply to any "personal data compromise".

### 1) Informational Materials

A packet of loss prevention and customer support information.

### 2) Help Line

A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in **b.1)** and **2)**.

- b. The following additional services apply to "personal data compromise" events involving "personally identifying information".

### 1) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.

### 2) Identity Restoration Case Management

As respects any "affected individual" who is or appears to be a victim of an "identity theft that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

## 5. PR Services

Professional public relations firm review of and response to the potential impact of the "personal data compromise" on your business relationships.

This includes costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with "affected individuals". However, we will not pay for promotions:

- a. Provided to any of your directors or employees; or
- b. Costing more than \$25 per "affected individual".

## 6. Regulatory Fines and Penalties

Any fine or penalty imposed under state law; to the extent such fine or penalty is legally insurable.

## 7. PCI Fines and Penalties

Any Payment Card Industry (PCI) fine or penalty imposed under a contract to which you are a party. PCI Fines and Penalties do not include any increased transaction costs.

For the purpose of the **Section 1** coverage under this endorsement only, the following replaces **SECTION III - LIMITS OF INSURANCE:**

## LIMITS - SECTION 1

1. The most we will pay under Response Expenses coverage is the Data Compromise Response Expenses Limit indicated for this endorsement.



2. The Data Compromise Response Expenses Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under **Section 1** arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.
3. A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" will be subject to the Data Compromise Response Expenses Limit applicable to the policy period when the "personal data compromise" was first discovered by you.
4. The most we will pay under Response Expenses coverage for loss arising from any "malware-related compromise" is the Named Malware (Sec. 1) sublimit indicated for this endorsement. For the purpose of the Named Malware (Sec. 1) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise".
5. The most we will pay under Forensic IT Review, Legal Review, PR Services, Regulatory Fines and Penalties, PCI Fines and Penalties coverages for loss arising from any one "personal data compromise" is the applicable sublimit for each of those coverages indicated for this endorsement. These sublimits are part of, and not in addition to, the Data Compromise Response Expenses Limit. PR Services coverage is also subject to a limit per "affected individual" as described in **5. PR Services**.
6. Coverage for Services to "affected individuals" is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

**DEDUCTIBLE - SECTION 1**

Response Expenses coverage is subject to the Response Expenses Deductible indicated for this endorsement. You will be responsible for such deductible amount as respects each "personal data compromise" covered under this endorsement.

- B. The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

**SECTION 2 - DEFENSE AND LIABILITY****DEFENSE AND LIABILITY COVERED CAUSE OF LOSS**

Coverage under **Section 1** and **Section 2** of this Data Compromise Plus Coverage endorsement applies only if all three of the conditions in DATA COMPROMISE - COVERED CAUSE OF LOSS are met.

Only with regard to **Section 2 - Defense and Liability** coverage, the following conditions must also be met:

1. You have provided notifications and services to "affected individuals" in consultation with us pursuant to Response Expenses coverage; and
2. You receive notice of a "data compromise suit" brought by one or more "affected individuals" or by a governmental entity on behalf of one or more "affected individuals"; and
3. Notice of such "data compromise suit" is received by you within two years of the date that the "affected individuals" are notified of the "personal data compromise"; and
4. Such "data compromise suit" is reported to us as soon as practicable, but in no event more than 90 days after the date it is first received by you.

**COVERAGE - SECTION 2**

If all four of the conditions listed above in DEFENSE AND LIABILITY - COVERED CAUSE OF LOSS have been met, then we will provide coverage for "data compromise defense" and "data compromise liability" directly arising from the covered cause of loss.

For the purpose of the **Section 2** coverage under this endorsement only, the following replaces **SECTION III - LIMITS OF INSURANCE**:

**LIMITS - SECTION 2**

1. The most we will pay under Defense and Liability coverage (other than post-judgment interest) is the Data Compromise Defense and Liability Limit indicated for this endorsement.
2. The Data Compromise Defense and Liability Limit is an annual aggregate limit. This amount is the most we will pay for all loss covered under **Section 2** (other than post-judgment interest) arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.

3. A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" (other than post-judgment interest) will be subject to the Data Compromise Defense and Liability Limit applicable to the policy period when the "personal data compromise" was first discovered by you.
4. The most we will pay under Defense and Liability coverage for loss arising from any "malware-related compromise" is the Named Malware (Sec. 2) sublimit indicated for this endorsement. For the purpose of the Named Malware (Sec. 2) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise". This sublimit is part of, and not in addition to, the Defense and Liability Limit.

**DEDUCTIBLE - SECTION 2**

Defense and Liability coverage is subject to the Defense and Liability Deductible indicated for this endorsement. You will be responsible for such deductible amount as respects each "data compromise suit" covered under this endorsement.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following additional exclusions apply to Paragraph 2. **Exclusions under SECTION I - COVERAGES**

**EXCLUSIONS - SECTION 1 AND SECTION 2**

We will not pay for cost arising from the following:

1. Your intentional or willful complicity in a "personal data compromise";
2. Any criminal, fraudulent or dishonest act error or omission, or any intentional or knowing violation of the law by you;
3. Any "personal data compromise" occurring prior to the first inception of this Data Compromise Plus Coverage endorsement or any substantially similar to that described in this endorsement;
4. Cost to research or correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedure or physical security that may have contributed to a "personal data compromise";
5. Any fines or penalties imposed under federal law including, but not limited to, HIPAA fines and penalties;
6. Any criminal investigations or proceedings;
7. Any extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance;
8. Any "personal data compromise" involving data that is being transmitted electronically, unless such data is encrypted to protect the security of the transmission.
9. Your "reckless disregard" for the security of "personally identifying information" or "personally sensitive information" in your care, custody, or control;
10. That part of any "data compromise suit" seeking any non-monetary relief; or
11. "Bodily injury", "property damage" or "personal and advertising injury".
12. Any amount not insurable under applicable law.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, **SUPPLEMENTARY PAYMENTS** under **SECTION I - COVERAGES** do not apply.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, subparagraphs **2.b.** and **3.** of **SECTION II - WHO IS AN INSURED** do not apply.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

**ADDITIONAL CONDITIONS - SECTION 1 AND SECTION 2**

**1. "Data Compromise Liability" Defense**

- a. We will have the right, and the duty, to assume the defense of any applicable "data compromise suit" against you. You will give us such information and cooperation as we may reasonably require.
- b. You will not admit liability for or settle any "data compromise suit" or incur any defense costs without our prior written consent.
- c. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense (if we have assumed your defense) by tendering control of the defense to you. From that point forward, you will, at your own expense, negotiate or defend such "data compromise suit" independently of us. Our liability will not exceed the amount for which the claim or suit could have been settled if such recommendation had been consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.
- d. We will not be obligated to pay any damages or defense costs, or to defend or continue to defend any "data compromise suit" after the Data Compromise Defense and Liability Limit has been exhausted.

- e. We shall pay all interest on that amount of any judgment within the Data Compromise Defense and Liability Limit which accrues:
- 1) after entry of judgment; and
  - 2) before we pay, offer to pay or deposit in court that part of the judgment within the Data Compromise Defense and Liability Limit or, in any case, before we pay or offer to pay the entire Data Compromise Defense and Liability Limit.
- These interest payments shall be in addition to and not part of the Data Compromise Defense and Liability Limit.

**2. Duties in the Event of a "Data Compromise Suit"**

- a. If a "data compromise suit" is brought against you, you must:
- (1) Immediately record the specifics of the "data compromise suit" and the date received;
  - (2) Provide us with written notice, as soon as practicable, but in no event more than 90 days after the date the "data compromise suit" is first received by you;
  - (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "data compromise suit";
  - (4) Authorize us to obtain records and other information;
  - (5) Cooperate with us in the investigation, settlement or defense of the "data compromise suit";
  - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and
  - (7) Take no action, or fail to take any required action, that prejudices your rights or our rights with respect to such "data compromise suit".
- b. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.
- c. If you become aware of a claim or complaint that may become a "data compromise suit", you will promptly inform us of such claim or complaint.

**3. Due Diligence**

You agree to use due diligence to prevent and mitigate costs covered under this endorsement. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information" or "personally sensitive information" including shredding hard copy files and destroying physical media used to store electronic data.

**4. Legal Advice**

We are not your legal advisor. Our determination of what is or is not covered under this Data Compromise Plus Coverage endorsement does not represent advice or counsel from us about what you should or should not do.

**5. Pre-Notification Consultation**

You agree to consult with us prior to the issuance of notification to "affected individuals". We assume no responsibility under this Data Compromise Plus Coverage for any services promised to "affected individuals" without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under Additional Condition **6. Service Providers**. You must provide the following at our pre-notification consultation with you:

- a. The exact list of "affected individuals" to be notified, including contact information;
- b. Information about the "personal data compromise" that may appropriately be communicated with "affected individuals"; and
- c. The scope of services that you desire for the "affected individuals". For example, coverage may be structured to provide fewer services in order to make those services available to more "affected individuals" without exceeding the available Response Expenses Limit.

**6. Service Providers**

- a. We will only pay under this Data Compromise Plus Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Data Compromise Plus Coverage. We will not unreasonably withhold such approval.

- b. Prior to the Pre-Notification Consultation described in Additional Condition 5. above, you must come to agreement with us regarding the service provider(s) to be used for the **Notification to "Affected Individuals"** and **Services to "Affected Individuals"**. We will suggest a service provider; however, if you prefer to use an alternate service provider, our coverage is subject to the following limitations:
- (1) Such alternate service provider must be approved by us;
  - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
  - (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

**7. Services**

The following conditions apply as respects any services provided to you or any "affected individual" by us, our designees or any service firm paid for in whole or in part under this Data Compromise Plus coverage:

- a. The effectiveness of such services depends on your cooperation and assistance;
- b. All services may not be available or applicable to all individuals. For example, "affected individuals" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions;
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events; and
- d. You will have a direct relationship with the professional service firms paid for in whole or in part under this coverage. Those firms work for you.

**8. Prompt Payment of Claims**

**a. Receipt of Notice of Claim.**

- (1) Not later than the 15th day after the date we receive notice of a claim, we will:
  - (a) acknowledge receipt of the claim;
  - (b) commence any investigation of the claim; and
- (2) Request from you all items, statements, and forms that we reasonably believe, at that time, will be required from you.
- (3) We may make additional requests for information if during the investigation of the claim the additional requests are necessary.
- (4) If the acknowledgment of receipt of a claim is not made in writing, we will make a record of the date, manner, and content of the acknowledgment.

**b. Notice of Acceptance or Rejection of Claim.**

- (1) Except as provided by Subsection c., we will notify you in writing of the acceptance or rejection of a claim not later than the 15th business day after the date we receive all items, statements, and forms required by us to secure final proof of loss.
- (2) If we reject the claim, the notice required by Subsection **b.(1)** must state the reasons for the rejection.
- (3) If we are unable to accept or reject the claim within the period specified by Subsection **b.(1)**, we, within that same period, will notify you of the reasons that we need additional time. We will accept or reject the claim not later than the 45th day after the date we notify you under this subsection.

**c. Payment of Claim.**

- (1) Except as otherwise provided by this section, if we notify you under Subsection b. that we will pay a claim or part of a claim, we will pay the claim not later than the fifth business day after the date notice is made.
- (2) If payment of the claim or part of the claim is conditioned on the performance of an act by you, we will pay the claim not later than the fifth business day after the date the act is performed.

**d. Delay in Payment of Claim.**

- (1) Except as otherwise provided, if we after receiving all items, statements, and forms reasonably requested and required under Subsection a, delay payment of the claim for a period exceeding the period specified by applicable statutes or, if other statutes do not specify a period, for more than 60 days, we will pay damages and other items as provided by Texas Insurance Code Section 542.060.



(2) Subsection d.(1) does not apply in a case in which it is found as a result of arbitration or litigation that a claim received by us is invalid and should not be paid by us.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following is added to **SECTION V - DEFINITIONS**

**DEFINITIONS - SECTION 1 AND SECTION 2**

1. "Affected individual" means any person who is your current, former or prospective customer, client, member, owner, director or employee and whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this endorsement. This definition is subject to the following provisions:
  - a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual";
  - b. An "affected individual" must have a direct relationship with your interests as insured under this policy. The following are examples of individuals who would not meet this requirement:
    - 1) If you aggregate or sell information about individuals as part of your business, the individuals about whom you keep such information do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours;
    - 2) If you store, process, transmit or transport records, the individuals whose "personally identifying information" or "personally sensitive information" you are storing, processing, transmitting or transporting for another entity do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours; or
    - 3) You may have operations, interests or properties that are not insured under this policy. Individuals who have a relationship with you through such other operations, interests or properties do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of the operation insured under this policy; and
  - c. An "affected individual" may reside anywhere in the world.
2. "Data Compromise Defense Costs" means expenses resulting solely from the investigation, defense and appeal of any "data compromise suit" against you. Such expenses must be reasonable and necessary. They will be incurred by us. They do not include your salaries or your loss of earnings. They do include premiums for any appeal bond, attachment bond or similar bond, but we have no obligation to apply for or furnish any such bond.
3. "Data Compromise Liability"
  - a. "Data compromise liability" means the following, when they arise from a "data compromise suit":
    - 1) Damages, judgments or settlements to "affected individuals";
    - 2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or by court order; and
    - 3) Pre-judgment interest interest on that part of any judgment paid by us.
  - b. "Data compromise liability" does not mean:
    - 1) Damages, judgments or settlements to anyone who is not an "affected individual";
    - 2) Civil or criminal fines or penalties imposed by law;
    - 3) Punitive or exemplary damages;
    - 4) The multiplied portion of multiplied damages;
    - 5) Taxes; or
    - 6) Matters which may be deemed uninsurable under the applicable law.
4. "Data Compromise Suit"
  - a. "Data Compromise Suit" means a civil proceeding in which damages to one or more "affected individuals" arising from a "personal data compromise" or the violation of a governmental statute or regulation are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. "Data compromise suit" includes:
    - 1) An arbitration proceeding in which such damages are claimed, and to which you must submit or do submit with our consent;
    - 2) Any other alternative dispute resolution proceeding in which such damages are claimed, and to which you submit with our consent; or
    - 3) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.

- b. "Data compromise suit" does not mean any demand or action brought by or on behalf of someone who is:
  - 1) Your director or officer;
  - 2) Your owner or part-owner; or
  - 3) A holder of your securities;
in their capacity as such, whether directly, derivatively, or by class action. "Data compromise suit" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual".
- c. "Data compromise suit" does not mean any demand or action brought by an organization, business, institution, or any other party that is not an "affected individual" or governmental entity. "Data compromise suit" does not mean any demand or action brought on behalf of an organization, business, institution, governmental entity or any other party that is not an "affected individual".
5. "Identity Theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes. "Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.
6. "Malware-Related Compromise" means a "personal data compromise" that is caused, enabled or abetted by a virus or other malicious code that, at the time of the "personal data compromise", is named and recognized by the CERT® Coordination Center, McAfee®, Secunia, Symantec or other comparable third party monitors of malicious code activity.
7. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss theft, accidental release or accidental publication must result in, or have the reasonable possibility of resulting in, the fraudulent use of such information. This definition is subject to the following provisions:
  - a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in your direct care, custody or control of:
    - 1) You; or
    - 2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information
  - b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, subject to the following provisions:
    - 1) The failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
    - 2) Such disposal or abandonment must take place during the time period for which this Data Compromise Plus Coverage endorsement is effective;
  - c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof; and
  - d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".
8. "Personally identifying information" means information, including health information, which could be used to commit fraud or other illegal activity involving the credit, access to health care, or identity of an "affected individual". This includes but is not limited to Social Security numbers or account numbers. "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.
9. "Reckless Disregard" means that:
  - a. The action or procedure is deliberate; and
  - b. The action or procedure entails either a certainty or a high probability of causing or allowing a "personal data compromise".

10. "Personally Sensitive Information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

"Personally sensitive information" does not mean or include "personally identifying information".

C. The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

**SECTION 3 - IDENTITY RECOVERY COVERAGE**

**COVERAGE - SECTION 3**

We will provide the Case Management Service and Expense Reimbursement Coverage indicated below if all of the following requirements are met:

1. There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this policy;
2. Such "identity theft" is first discovered by the "identity recovery insured" during the policy period for which this Identity Recovery Coverage is applicable; and
3. Such "identity theft" is reported to us within 90 days after the date it is first discovered by the "identity recovery insured".

If all three of the requirements listed above have been met, then we will provide the following to the "identity recovery insured":

1. Case Management Service  
Services of an "identity recovery case manager" as needed to respond to the "identity theft"; and
2. Expense Reimbursement  
Reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to Paragraph

**2. Exclusions under SECTION I - COVERAGES**

**EXCLUSIONS - SECTION 3**

We do not cover loss or expense arising from any of the following:

1. The theft of a professional or business identity;
2. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any authorized representative of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act; or
3. An "identity theft" that is not reported in writing to the police.

For the purpose of the **Section 3** coverage under this endorsement only, **SUPPLEMENTARY PAYMENTS** under **SECTION I - COVERAGES** do not apply:

For the purpose of the **Section 3** coverage under this endorsement only, the following replaces **SECTION III - LIMITS OF INSURANCE**

**LIMITS - SECTION 3**

1. Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the amount of limit available for Expense Reimbursement Coverage.
2. Expense Reimbursement Coverage is subject to the Expense Reimbursement Limit indicated for this endorsement. The Expense Reimbursement Limit is an annual aggregate limit per "identity recovery insured". Regardless of the number of claims, this limit is the most we will pay for the total of all loss or expense arising out of all "identity thefts" to any one "identity recovery insured" which are first discovered by the "identity recovery insured" during a 12 month period starting with the beginning of the present annual policy period. If an "identity theft" is first discovered in one policy period and continues into other policy periods, all loss and expense arising from such "identity theft" will be subject to the aggregate limit applicable to the policy period when the "identity theft" was first discovered.
3. Legal costs as provided under item d. of the definition of "identity recovery expenses" are part of, and not in addition to, the Expense Reimbursement Coverage limit.
4. Item e. (Lost Wages) and item f. (Child Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to a sublimit of \$5,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
5. Item g. (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

6. Item h. (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

**DEDUCTIBLE - SECTION 3**

1. Case Management Service is not subject to a deductible.
2. Expense Reimbursement Coverage is subject to the Expense Reimbursement Deductible indicated for this endorsement. Any one "identity recovery insured" will be responsible for only one deductible under this Identity Recovery Coverage during any one policy period.

For the purpose of the coverage under **Section 3** under this endorsement only, **SECTION II - WHO IS AN INSURED** does not apply.

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:**

**ADDITIONAL CONDITIONS - SECTION 3**

**1. Help Line**

- a. For assistance, the "identity recovery insured" should call the **Identity Recovery Help Line** at **1-800-414-9783**.
- b. The **Identity Recovery Help Line** can provide the "identity recovery insured" with:
  - 1) Information and advice for how to respond to a possible "identity theft"; and
  - 2) Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management Services at our expense to an "identity recovery insured" prior to a determination that a covered "identity theft" has occurred. Our provision of such services is not an admission of liability under this policy. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered "identity theft" has not occurred.
- c. As respects Expense Reimbursement Coverage the "identity recovery insured" must send to us, within 90 days after our request, receipts, bills or other records that support his or her claims for "identity recovery expenses".

**2. Services**

The following conditions apply as respects any services provided by us or our designee to any "identity recovery insured" under this endorsement:

- a. Our ability to provide helpful services in the event of an "identity theft" depends on the cooperation, permission and assistance of the "identity recovery insured";
- b. All services may not be available or applicable to all individuals. For example, "identity recovery insureds" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions; and
- c. We do not warrant or guarantee that our services will end or eliminate all problems associated with an "identity theft" or prevent future "identity thefts".

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to **SECTION V - DEFINITIONS**

**DEFINITIONS - SECTION 3**

1. "Identity Recovery Case Manager" means one or more individuals assigned by us to assist an "identity recovery insured" with communications we deem necessary for re-establishing the integrity of the personal identity of the "identity recovery insured". This includes, with the permission and cooperation of the "identity recovery insured", written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.
2. "Identity Recovery Expenses" means the following when they are reasonable and necessary expenses that are incurred as a direct result of an "identity theft":
  - a. Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an "identity theft";
  - b. Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of your efforts to report an "identity theft" or amend or rectify records as to your true name or identity as a result of an "identity theft";
  - c. Costs for credit reports from established credit bureaus;
  - d. Fees and expenses for an attorney approved by us for the following:
    - 1) The defense of any civil suit brought against an "identity recovery insured";
    - 2) The removal of any civil judgment wrongfully entered against an "identity recovery insured";



- 3) Legal assistance for an "identity recovery insured" at an audit or hearing by a governmental agency;
- 4) Legal assistance in challenging the accuracy of the "identity recovery insured's" consumer credit report; and
- 5) The defense of any criminal charges brought against an "identity recovery insured" arising from the actions of a third party using the personal identity of the "identity recovery insured";
- e. Actual lost wages of the "identity recovery insured" for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours;
- f. Actual costs for supervision of children or elderly or infirm relatives or dependents of the "identity recovery insured" during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured";
- g. Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured"; and
- h. Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".
  - 1) Such costs include:
    - (a) Costs by the "identity recovery insured" to recover control over his or her personal identity; and
    - (b) Deductibles or service fees from financial institutions.
  - 2) Such costs do not include:
    - (a) Costs to avoid, prevent or detect "identity theft" or other loss;
    - (b) Money lost or stolen; and
    - (c) Costs that are restricted or excluded elsewhere in this endorsement or policy.
3. "Identity Recovery Insured" means the following:
  - a. When the entity insured under this policy is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured entity;
  - b. When the entity insured under this policy is a partnership, the "identity recovery insureds" are the current partners; or
  - c. When the entity insured under this policy is a corporation or other organization, the "identity recovery insureds" are all the individuals having ownership position of 20% or more of the insured entity. However, if and only if there is no one who has such an ownership position, then the "identity recovery insured" will be:
    - 1) The chief executive of the insured entity; or
    - 2) As respects a religious institution, the senior ministerial employee.

An "identity recovery insured" must always be an individual person. The entity insured under this policy is not an "identity recovery insured".

- 4. "Identity Theft" means the fraudulent use of the social security number or other method of identifying an "identity recovery insured". This includes fraudulently using the personal identity of an "identity recovery insured" to establish credit accounts, secure loans, enter into contracts, or commit crimes. "Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

## CYBERSECURE COVERAGE DECLARATIONS

NETWORK SECURITY LIABILITY PROVIDES CLAIMS-MADE COVERAGE  
PLEASE READ THE ENTIRE COVERAGE FORM CAREFULLY.

Policy Number: SPP 2505525 01  
Account Number: AC00054162  
Named Insured: THOMPSON THRIFT HOLDING

### SECTION 1 - COMPUTER ATTACK AND CYBER EXTORTION

Computer Attack Limit and Cyber Extor- tion Limit	\$	100,000	Annual Aggregate
Sublimits			
Data Recreation	\$	5,000	Per Occurrence
Loss of Business	\$	10,000	Per Occurrence
Public Relations	\$	5,000	Per Occurrence
Cyber Extortion Expenses	\$	25,000	Per Occurrence
Computer Attack and Cyber Extortion De- ductible	\$	1,000	Per Occurrence

### SECTION 2 - NETWORK SECURITY LIABILITY

Cyber Liability Limit	\$	100,000	Annual Aggregate
Cyber Liability Deductible	\$	1,000	Per Occurrence
Cyber Liability Optional Coverage			
3 <sup>rd</sup> Party Business Information	\$	INCLUDED	
Electronic Media Liability	\$	INCLUDED	

ESTIMATED PREMIUM FOR THIS COVERAGE FORM: \$383

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AMENDMENT OF OCCURRENCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The provisions of the policy apply except as modified by this endorsement.

Section **V - DEFINITIONS** is amended to delete the definition of "occurrence", and replace it with the following:

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. Faulty workmanship does not constitute an "occurrence", however, "property damage" to property other than "your work" that directly results from faulty workmanship is an "occurrence" under this policy.

**SL 00 65 06 09 Page 1 of 1**

\*//•SL0065-200906

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## PENNSYLVANIA NOTICE

An Insurance Company, its agents, employees, or service contractors acting on its behalf, may provide services to reduce the likelihood of injury, death or loss. These services may include any of the following or related services incident to the application for, issuance, renewal or continuation of, a policy of insurance:

1. Surveys;
2. Consultation or Advice; or
3. Inspections.

The "Insurance Consultation Services Exemption Act" of Pennsylvania provides that the Insurance Company, its agents, employees or service contractors acting on its behalf, is not liable for damages from injury, death or loss occurring as a result of any act or omission by any person in the furnishing of or the failure to furnish these services.

The Act does not apply:

1. If the injury, death or loss occurred during the actual performance of the services and was caused by the negligence of the Insurance Company, its agents, employees or service contractors;
2. To consultation services required to be performed under a written service contract not related to a policy of insurance; or
3. If any acts or omissions of the Insurance Company, its agents, employees or service contractors are judicially determined to constitute a crime, actual malice or gross negligence.

### Instructions to Policy Writers

Attach the Pennsylvania Notice to all new and renewal certificates insuring risks located in Pennsylvania.



POLICY NUMBER: SPP 2505525  
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E N D O R S E M E N T

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY  
TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US  
THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. IF THIS COVERAGE FORM AND ANY OTHER COVERAGE FORM OR POLICY ISSUED TO YOU BY US OR ANY COMPANY AFFILIATED WITH US APPLY TO THE SAME "OCCURRENCE", THE MAXIMUM APPLICABLE PER OCCURRENCE AND AGGREGATE LIMITS OF INSURANCE AVAILABLE UNDER ALL THE COVERAGE FORMS OR POLICIES SHALL NOT EXCEED THE HIGHEST APPLICABLE PER OCCURRENCE AND AGGREGATE LIMITS OF INSURANCE UNDER ANY ONE COVERAGE FORM OR POLICY. THIS CONDITION DOES NOT APPLY TO ANY COVERAGE FORM OR POLICY ISSUED BY US OR AN AFFILIATED COMPANY TO APPLY EXCESS INSURANCE OVER THE COVERAGE FORM.
2. HOWEVER, THE PROVISION IN PARAGRAPH 1. ABOVE DOES NOT APPLY TO THE "BODILY INJURY", "PROPERTY DAMAGE" OR "PERSONAL AND ADVERTISING INJURY" OCCURRING WITHIN THE GEOGRAPHICAL AREA OF THE STATE OF TEXAS.

THIS ENDORSEMENT FORMS A PART OF THE POLICY TO WHICH IT IS ATTACHED.  
THE SPACES BELOW NEED NOT BE COMPLETED UNLESS THIS ENDORSEMENT IS ISSUED  
SUBSEQUENT TO PREPARATION OF THE POLICY.

EFFECTIVE DATE: -----  
(12:01 AM STANDARD TIME)

DATE OF ISSUE: -----

ISSUED TO: -----

MC 17 (12-85)

**From:** [Terry Baer](#)  
**To:** [Peter Racher](#)  
**Subject:** Per your Voicemail  
**Date:** Tuesday, October 4, 2022 2:33:44 PM  
**Attachments:** [Compliance Order 09.12.2022 - signed.pdf](#)

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Peter, I am sorry we have had so many challenges in getting you this. Please let me know that you receive this email which has the docketed compliance order.

Additionally let me know if there are any other items you are looking for.

Finally per our conversation ADEQ appreciates your clients organizations assistance in keeping the unit unoccupied in light of the detected vapors in the report while ADEQ pursues legal investigations.

Thank you,

**Terry L Baer**

Section Manager Solid/ Hazardous Waste  
Ph: 602-771-4503  
M: 480-309-7055



[azdeq.gov](https://azdeq.gov)

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Vigo Superior Court 3

Filed 05/23/23 11:58 AM  
Clerk  
Vigo County, Indiana

August 25, 2022

Via U.S. Certified Mail, Return Receipt Requested, and First Class Mail

Thompson Thrift Holding Company, LLC  
c/o Mr. Loren Stigall  
901 Wabash Ave., Ste. 300  
Terre Haute, IN 47807

Watermark at Peoria AZ, LLC  
c/o Mr. Loren Stigall  
8825 N. 23<sup>rd</sup> Ave., Ste 100  
Phoenix, AZ 85021

Re: Claim No.: PR-433837  
Insured: Watermark at Peoria AZ, LLC  
Site: 24701 N. Lake Pleasant Pkwy, Peoria, AZ 85383  
Policy No.: SPP2505525

Dear Mr. Stigall:

Please allow this letter to inform you of State Auto Property and Casualty Insurance Company's ("State Auto") coverage position with respect to environmental contamination at Watermark at Peoria AZ, LLC's ("Watermark") property known as Grandstone at Sunrise located at 24701 N. Lake Pleasant Pkwy, Peoria, AZ 85383 (the "Site") which is believed to be migrating onto the Site from a nearby drycleaner. Watermark reported the contamination to the Arizona Department of Environmental Quality ("ADEQ"). To date, Watermark has not received any notices from the ADEQ or any other governmental agency identifying Watermark a potentially liable party for the contamination. Watermark, through Thompson Thrift Holding Company, LLC, has requested that State Auto provide defense and indemnity against a potential demands by ADEQ that Watermark investigate and/or remediate environmental contamination at the Site (the "Claim").

State Auto previously acknowledged receipt of the Claim and of Thompson Thrift Holding Company, LLC's ("Thompson Thrift") and Watermark's request that Meridian defend, and if necessary, indemnify Watermark against the Claim under the following policies of insurance:

- State Auto Policy No. SPP2505525-00, issued to Watermark as a Named Insured<sup>1</sup>, effective December 1, 2020 to December 1, 2021 (the "Policy"); and

<sup>1</sup> Thompson Thrift is the first Named Insured on the Policies. Thompson Thrift is an limited liability company with principal places of business in Indiana, Arizona, and Texas. Watermark was added to the Policy as a Named Insured effective July 13, 2021. Watermark is a Delaware limited liability company with its principal place of business in Arizona.

- State Auto Policy No. SPP2505525-01, issued to Watermark as a Named Insured, effective December 1, 2021 to December 1, 2022 (the "Renewal Policy").

Collectively, the Policy and the Renewal Policy are referred to as the "Policies". Each of the Policies has the following General Liability Limits: \$1M each occurrence; \$2M general aggregate; and \$2M products-completed operations aggregate. Each of the Policies includes a self-contained Commercial Umbrella Policies with a \$15M aggregate limit.

State Auto exercised its right to investigate the Claim pursuant to a full and complete reservation of all rights under the Policies. It must be understood that actions taken by State Auto, its agents, representatives and attorneys, in investigating the Claim should not be construed as a waiver of the terms, conditions, and requirements of the Policies. State Auto specifically reserves all of its rights under the Policies, and no waiver or estoppel of any kind is intended nor should be inferred.

The Policies' Commercial General Liability ("CGL") Coverage Form, Form CG 0001 0413, Bodily Injury And Property Damage ("BI/PD") insuring agreement, provides, in relevant part:

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and

- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

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The Policies' coverage defines the term "suit" as follows:

"Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:



August 25, 2022  
Page 3 of 19

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

Under Arizona law, a governmental edict issued to an insured is considered a "suit".

State Auto has completed its coverage investigation. At this time, there is no "suit" pending against Watermark as no civil proceedings have been initiated against Watermark and/or the ADEQ has not issued any notices of liability to Watermark with respect to the Claim or issued any directives or orders to ADEQ to take any action with respect to the Claim. Accordingly, the Policies' GCL BI/PD insuring agreement has not been triggered as the duty to defend does not arise until a "suit" is filed. **However, based on the information provided, State Auto regrets to inform you that there is no coverage under the Policies for Watermark against the Claim as it is currently presented to State Auto as the Policies exclude coverage for "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants", including, but not limited to, tetrachloroethylene ("PCE"), which is considered to be traditional environmental pollutants, and which is also expressly excluded from coverage under Indiana Changes - Pollution Exclusion endorsement, Form SL 2041 0318.**

The purpose of this correspondence is to:

- (1) Enumerate for you the facts, language in the Policies upon which State Auto relied in reaching its coverage determination; and
- (2) Afford you with the opportunity to provide State Auto with any facts, language in the Policies, or case law which you believe would require State Auto to defend and, if necessary, indemnify Watermark against the Claim.

## **I. FACTS**

On June 17, 2022, Thompson Thrift notified State Auto that PCE had been detected at the Site (the "Notice"). According to the Notice, a Phase I report had identified a laundromat door as the suspected source of the PCE, and testing was ongoing.

On June 22, 2022, a copy of a Phase I Environmental Site Assessment ("Phase I ESA"), dated August 29, 2017, and prepared by Vann Engineering, Inc. for Thompson Thrift was provided to State Auto. According to the Phase I ESA, "[t]his assessment has revealed no evidence of recognized environmental conditions in connection with the property." The Phase I ESA identified the laundromat as "Lake Pleasant Cleaners, which performs dry-cleaning on the premises."

On July 15, 2022, a copy of an Initial Soil Vapor Intrusion Assessment ("VI Assessment"), dated June 28, 2022, and prepared jointly by W.L. Bouchard & Associates, Inc. and Speyer Environmental LLC for Watermark was submitted to State Auto. The VI Assessment revealed the presence of PCE at levels above the Regional Screening Levels and Minimal Risk Levels.

On or about July 5, 2022, Walter L. Bouchard submitted a complaint to the ADEQ on behalf of Watermark concerning Lake Pleasant Cleaners. The Description of the Complaint states as follows:

On behalf of Watermark at Peoria AZ, LLC of Terre Haute, Indiana, I am providing you with two soil vapor reports, relating to a potential environmental condition at the northwest corner of the Grandstone at Sunrise residential development located at 24701 North Lake Pleasant Parkway Peoria, AZ 85383.

The current thought is that Unit #1061 may be subject to both transboundary PCE soil vapor and/or PCE product in soil originating at the dry cleaner. Our assessment also suggests the unconfirmed possibility of PCE plume impacts on the Site from roof mounted ambient air discharge from the dry-cleaning facility. We recommend that the Arizona Department of Environmental Quality (ADEQ) and the Maricopa County Air Quality Department (MCESD) be notified, and that regulatory inspections occur to investigate past/present PCE handling and ambient air discharges.

In response to the complaint, on July 7, 2022, ADEQ conducted an inspection of Lake Pleasant Cleaners. The ADEQ's Complaint Inspection Report confirmed that Lake Pleasant Cleaners utilized PCE in one dry cleaning machine and observed a number of violations concerning the Lake Pleasant Cleaner's use, handling, and storage of PCE.

To date, Watermark has not received any notices from the ADEQ or any other governmental agency identifying Watermark a potentially liable party for the contamination at the Site.

## **I. THE POLICIES' CGL BI/PD INSURING AGREEMENT**

The Policies' Commercial General Liability ("CGL"), Form CG 0001 0413, Bodily Injury Or Property Damage ("BI/PD") insuring agreement states, in relevant part:

### **1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our



discretion, investigate any “occurrence” and settle any claim or “suit” that may result. But:

- (1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

b. This insurance applies to “bodily injury” and “property damage” only if:

- (1) The “bodily injury” and “property damage” is caused by an “occurrence” that takes place in the coverage territory;
- (2) The “bodily injury” or “property damage” occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** - Who Is An Insured and no “employee” authorized by you to give or receive notice of an “occurrence” or claim, knew that the “bodily injury” or “property damage” had occurred, in whole or in part. If such a listed insured or authorized “employee” knew prior to the policy period, that the “bodily injury” or “property damage” occurred, then any continuation, change or resumption of such “bodily injury” or “property damage” during or after the policy period will be deemed to have been known prior to the policy period.

\*\*\*

To trigger coverage under the Policies’ CGL BI/PD coverage, an insured must be legally obligated to pay damages because of covered “bodily injury” or “property damage” caused by an “occurrence”, and such “bodily injury” or “property damage” must occur during the policy period.

The Policies define the term “property damage”, in relevant part, as follows:

“Property damage” means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

\*\*\*

The Policies define the term "occurrence" as follows:

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

## **II. COVERAGE DENIAL – THE POLICIES' POLLUTION EXCLUSION**

As discussed above, at this time there is no "suit" pending against Watermark; however, even if there was "suit" against Watermark, the Policies' pollution exclusion, as modified by Indiana Changes – Pollution Exclusion, Form SL 2041 0318, would apply to bar coverage for the Claim.

The Policies' CGL BI/PD coverage pollution exclusion, as modified by Form SL 2041 0318, states as follows:

### **2. Exclusions**

This insurance does not apply to:

\*\*\*

#### **f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations



performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported handled, stored, treated, disposed of, or processed as waste by or for:
  - (i) Any insured; or
  - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
  - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
  - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with

operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

(3) Paragraph 2. f. (1) and (2) applies to all insureds to include, but not limited to:

a. An active polluter legally obligated to pay damages because of an "occurrence" resulting from continuous or repeated exposure to substantially the same generally harmful conditions, or

b. Any other polluter responsible for damages resulting from an "occurrence" caused by an isolated, infrequent, or unexpected event; or

c. Any other insured legally obligated under state or federal law

The Policies define the term "pollutants" as follows:

"Pollutants" mean any solid, liquid, gaseous, electromagnetic, thermal or other substance that can be toxic or hazardous, cause irritation to animals or persons and/or cause contamination to property and the environment including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste.

Specific examples identified as pollutants include, but are not limited to:

- a. **ACETATES**, including n-butyl acetate;

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**CHLORINATED OR HALOGENATED SOLVENTS (HYDROCARBONS)**, such as trichloroethane (TCA), trichloroethylene (TCE) and tetrachloroethylene (perchloroethylene, PERC).

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**VOLATILE ORGANIC COMPOUNDS (VOC)**, such as acrylamide, epichlorohydrin, benzene, ethyl benzene, carbon tetrachloride, styrene, chlorobenzene, tetrachloroethylene, o-dichlorobenzene, toluene, pdichlorobenzene, 1,2,4-trichlorobenzene (and other isomers), 1,2-dichloroethane (ethylene dichloride), 1,1,1-trichloroethane, 1,1-dichloroethylene 1,1,2- trichloroethane, methyl tert-butyl ether (MTBE), cis- and trans- 1,2-dichloroethylene, dichloromethane, trichloroethylene, 1,2-dichloropropane, vinyl chloride, vinyl chloride monomer, and xylenes.

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- b. Arsenic, Lead, Mercury, Vinyl Chloride, Polychlorinated Biphenyls, Benzene, [ ], Trichloroethylene, [ ], Tetrachloroethylene, [ ], 1,1,2,2-Tetrachloroethane, [ ] 1,1-Dichloroethane, [ ] 1,2 Dichloroethane, [ ], 1,1,1-Trichloroethane, [ ], 1,1,2-Trichloroethane, [ ], Trans-1,2-Dichloroethene, [ ], Tetrachloroethane, Dichloroethane, [ ], Cis1,2-Dichloroethene, 1,2,3-Trichloropropane; and

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- q. all substances specifically listed, identified, or described by one or more of the following references: **Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Priority List Hazardous Substances** (1997 and all subsequent editions), **Agency For Toxic**



**Substances And Disease Registry ToxFAQsf, U.S. Environmental Protection Agency EMCI Chemical References Complete Index, U.S Occupational Safety and Health Administration List of Hazardous Chemicals, Resource Conservation and Recovery Act (RCRA), and/or identified on the F,K, P and U Lists found in Title 40 of the Code of Federal Regulations (CFR) sections h 261.31, h 261.32, and h 261.33, and/or all successive editions, updates, and successors of such references concerning potentially harmful substances. Substances identified as examples above or by the referenced lists also include materials or substances to be discarded, recycled, reconditioned or reclaimed.**

This definition of “pollutants” applies whether or not such solid, liquid, gaseous, electromagnetic or thermal irritant or contaminant is your product or products used by or for you, and/or is an integral part of or incidental to your business or operations or has any function in your business, operations, premises, site, or location.

PCE, the only contaminant at the Site, is specifically listed in the Policies’ definition of “pollutants”. In addition, PCE is regarded as a traditional environmental pollutant, and coverage for any “bodily injury” or “property damage” arising out of any discharge, dispersal, seepage, migration, release or escape of PCE or any request, demand, order or statutory or regulatory requirement that Watermark test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of PCE would be excluded under the Policies’ pollution exclusion, regardless of whether the same was modified by Form SL 2041 0318. Accordingly, the pollution exclusion applies to bar coverage for the Claim.

State Auto denies any duty under the Policies CGL BI/PD coverage to defend or indemnify Watermark against the Claim on the basis that pollution exclusion applies to bar coverage for the Claim.

### **III. COVERAGE DENIAL – THE COMMERCIAL UMBRELLA POLICIES**

The self-contained Commercial Umbrella Policies’ (the “Umbrella Policies”) Commercial Umbrella Coverage Form, CXS 0001 1215, Coverage A BI/PD Liability insuring agreement states:

#### **1. Insuring Agreement**

- a. We will pay on behalf of the insured the “ultimate net loss” in excess of the “retained limit” because of “bodily injury” or “property damage” to which this insurance applies. We will have the right to associate with the

"underlying insurer" and the insured to defend against any "suit" seeking those damages. But:

- (1) The amount we will pay for "ultimate net loss" is limited as described in Section **IV** - Limit Of Insurance;
- (2) At our discretion, we may investigate any "occurrence" and settle any resulting "claim" or "suit";
- (3) We have a right and duty to defend the insured against any "suits" to which this insurance applies:
  - (a) But which are not covered by any "underlying insurance" shown in the Declarations or by any other primary policies that may apply; or
  - (b) If the applicable limit of "underlying insurance" is exhausted.

However, we will have no duty to defend the insured against any "suits" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply; and

- (4) Both our right and duty to defend any existing or future "suits" end when we have exhausted the applicable Limit of Insurance in payment of judgments or settlements under Coverages **A** and **B**.

No other obligation or liability to pay or perform acts or services is covered unless explicitly provided for under Section **II** - Defense.

- b. This insurance applies to "bodily injury" or "property damage" which may be subject to an applicable "retained limit" when shown in the Declarations. If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "bodily injury" or "property damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of Underlying Insurance.
- c. It is agreed that this insurance only applies if:
  - (1) The "bodily injury" or "property damage" occurs during the policy period of this policy;
  - (2) With respect to your liability (other than under a contract) for "bodily injury" to your "employees" arising out of and in the course of their employment by you;

- (a) Any "bodily injury" by disease is caused or aggravated by the conditions of that employment; and
- (b) An "employee's" last day of last exposure to conditions causing or aggravating such disease occurs during the policy period of this policy; and
- (3) The "bodily injury" or "property damage" is caused by an "occurrence", and such "occurrence" takes place in the "coverage territory".
- (4) Prior to the policy period, no insured listed under Paragraph 1. of Section III - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- d. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section III - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- e. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section III - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
  - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.



- f. "Ultimate net loss" because of "bodily injury" includes damages sought by any person or organization for care or loss of services resulting at any time from the "bodily injury".

The Umbrella Policies define the term "property damage" in relevant part as follows:

"Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

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The Umbrella Policies define the term "occurrence" as follows:

"Occurrence" means:

- a. With respect to "bodily injury" or "property damage", an accident, including continuous or repeated exposure to substantially the same general harmful conditions. This does not apply to your liability (other than under a contract or agreement) for "bodily injury" to your "employees" arising out of and in the course of employment by you; or
- b. With respect to your liability (other than under a contract or agreement) for "bodily injury" to your "employees" arising out of and in the course of employment by you, "bodily injury" caused by accident or disease.

The Umbrella Policies define the term "claim" as follows:

"Claim" means any demand upon the insured for damages or services alleging liability of the insured as the result of an "occurrence" or offense.

The Umbrella Policies define the term "suit" as follows:

"Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or submits with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured must submit or submits with our consent.

The Umbrella Policies define the term “retained limit” as follows:

“Retained limit” means the greater of:

- a. The sum of amounts applicable to any “claim” or “suit” from:
  - (1) “Underlying insurance”, whether such “underlying insurance” is collectible or not; and
  - (2) Other collectible primary insurance; or
- b. The “self-insured retention”.

The Umbrella Policies define the term “ultimate net loss” as follows:

“Ultimate net loss” means the total amount of damages for which the insured is legally liable in payment of “bodily injury”, “property damage” or “personal and advertising injury”. “Ultimate net loss” must be fully determined as shown in Condition 18 - When Loss Payable.<sup>2</sup> “Ultimate net loss” shall be reduced by any recoveries or salvages which have been paid or will be collected, but the amount of “ultimate net loss” shall not include any expenses incurred by any insured, by us or by any “underlying insurer”.

The Umbrella Policies define the term “underlying insurance” as follows:

“Underlying insurance” means the coverage(s) afforded under insurance policies designated in the Declarations and any renewals or replacements of those policies.

The Umbrella Policies define the term “underlying insurer” as follows:

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<sup>2</sup> Condition 18 – When Loss Payable states:

**When Loss Payable.** Our liability for any portion of “ultimate net loss” shall not apply until the insured or any “underlying insurer” shall be obligated to actually pay the full and complete amount of the “retained limit”. When “ultimate net loss” has been finally determined, the insured may make “claim” for payment under this policy as soon as practicable thereafter. Such insured’s obligation to pay any amount of “ultimate net loss” must have been finally determined either by judgment against the insured after actual trial or by written agreement of the insured, the claimant or the claimant’s legal representative and us.



"Underlying insurer" means any company issuing any policy of "underlying insurance".

The "underlying insurance" listed in the Umbrella Policies' Declarations are the corresponding Policy and Renewal Policy liability coverage. The Policy and the Renewal Policy have the following liability limits: \$1M each occurrence; \$2M general aggregate; and \$2M products-completed operations aggregate.

To trigger coverage under the Umbrella Policies' BI/PD coverage, the limits of the Policies must first be exhausted. At this time there is nothing to suggest that the limits of the Policies will be exhausted by this Claim.

Even if the limits of the Policies were exhausted, there would still be no coverage under the Umbrella Policies for the Claim as the Umbrella Policies' pollution exclusion will apply to bar coverage.

The Umbrella Policies include the following pollution exclusion:

## **2. Exclusions**

This insurance does not apply to:

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### **f. Pollution:**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of "pollutants":
  - (a) That are, or ever were, contained in any property that is, or ever was:
    - (i) Being transported or towed by, handled, or handled for movement into, onto or from any "auto";
    - (ii) Otherwise in the course of transit by or on behalf of the insured; or
    - (iii) Being stored, disposed of, treated or processed in or upon any "auto";

- (b) At or from any premises, site or location which is or was at any time, owned or occupied by, or rented or loaned to, any insured. However, this subparagraph f.1.(b) does not apply to:
  - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.
  - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your applicable "underlying insurance" as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than the additional insured; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (c) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (d) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - (i) Any insured; or
  - (ii) Any person or organization for whom you may be legally responsible; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph f.1.(e) does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment", any "auto" covered by applicable "underlying insurance" or the parts of either, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
  - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (f) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) "Claim" or "suit" by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".



However, this paragraph (2) does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

Subparagraph (a) of part (1) of this exclusion f. does not apply if any applicable "underlying insurance" shown in the Schedule of Underlying Insurance provides coverage at the full limits of liability shown therein for such losses as are described in subparagraph (a) of part (1) for any "autos" involved in such operations.

**(3) Exceptions:**

(a) Paragraphs f.(1)(c) through f.(1)(f) of this exclusion do not apply to pollutants that are not in or upon a "covered auto" if:

(i) The pollutants or any property in which the pollutants are contained are upset, overturned or damaged as a result of the maintenance or use of a "covered auto"; and

(ii) The discharge, dispersal, release or escape of the pollutants is caused directly by such upset, overturn or damage.

The Umbrella Policies define the term "pollutants" as follows:

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including, without limitation, smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes, without limitation, materials to be recycled, reconditioned or reclaimed.

PCE is regarded as a traditional environmental pollutant, such that coverage for any "bodily injury" or "property damage" arising out of the same or any request, demand, order or statutory or regulatory requirement that Watermark test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of PCE would be excluded under the Commercial Umbrella Policies' coverage.

State Auto denies any duty under the Umbrella Policies' CGL BI/PD coverage to defend or indemnify Watermark against the Claim on the basis that pollution exclusion applies to bar coverage for the Claim.

**CONCLUSION**

State Auto is always willing to reconsider its coverage denial in light of any new or additional information, facts, evidence, language in the Policies, or case law. If you are aware of any new or additional information, facts, evidence, language in the Policies, or case law which would have a bearing on any of the issues upon which State Auto has denied coverage or reserved its rights, please contact me as soon as possible so that State Auto can give due consideration to the same.

It must be understood that this letter is not intended to set forth, nor should it be construed as, setting forth all coverage defenses that may arise in connection with the Claim. State Auto specifically reserves all of its rights under the Policies and all applicable law, and no waiver or estoppel of any kind is intended, nor should it be inferred. If you submit additional information or documents to State Auto for its further consideration, and State Auto identifies other coverage defenses during any further investigation into the facts surrounding the Claim, State Auto will advise you in writing of any additional coverage defenses.

State Auto does not, in any way, agree to any change or modification in the coverage, terms and conditions of the Policies, all of which shall remain in full force and effect. Any action taken by State Auto in connection with any further investigation of the Claim or any potential "suit" against Watermark in connection with the Claim shall not constitute a waiver of any of the terms and conditions contained in the Policies; nor shall it operate as an extension of coverage provided for in the Policies.

**If "suit" is filed against Watermark arising out of or in connection with the Claim, please forward the complaint and/or governmental notice or edict and all accompanying documents to me immediately. Upon receipt, State Auto will evaluate its duties to Watermark with regard to the allegations asserted in any such "suit" and the coverages available under the Policies, and advise Watermark of the same.**

Our position on coverage as outlined in this letter is based upon the information and facts as we know them to date. Should you have any additional information that may change our view on the duty to defend or indemnify, please let us know as soon as possible and provide us with a description of all reasons that State Auto should reconsider its position. We invite you to call us should you have any questions regarding this decision.

If you believe this claim has been wrongfully handled, you are entitled to have the matter reviewed by the Arizona Department of Insurance and Financial Institutions, the address and telephone number of which are as follows:

Arizona Department of Insurance and Financial Institutions  
100 North 15th Avenue, Suite 261  
Phoenix, AZ 85007  
(602) 364-2499  
(800) 325-2548 (in Arizona but outside Phoenix)

If you have any questions, please feel free to contact me at the number below.

Sincerely,

State Auto Insurance Companies

**Linda L. Vitone**

Linda L. Vitone

CARE Specialist

Tel: (317) 931-7011

Email: [Linda.Vitone@stateauto.com](mailto:Linda.Vitone@stateauto.com)